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ABSTRACT

Detailed findings from the first stage of the Basic Educational Opportunity Grant (BEOG) quality control project are presented. For the 4,500 students selected as representative of the BEOG, or Pell Grant, recipient population as of Fall 1980, data were collected from: federal tax returns, interviews with student recipients and their parents, tax assessors' statements regarding home values, student records on file in college financial aid offices, and interviews with financial aid administrators describing the characteristics and administrative practices at their institutions. Total dollar error is estimated to be $275 per recipient, or $650 million of the $2.2 billion awarded to the 2.36 million recipients represented by the study sample. The $650 million in dollar error was composed of $526 million in overawards to 50 percent of the recipients and $124 million in underawards to 21 percent of the recipients. Approximately 19 percent of the recipients should have been ineligible for any award, and all errors related to institutional procedures resulted in $181 million in net overaward. Information is provided on recipient error, data entry error, institutional error, error-prone profiling, and BEOG validation. Comparisons are also presented of 1978-1979 and 1980-1981 error. Appended materials include responses to questionnaire items for the student questionnaire, parent questionnaire, student record abstract, and institutional interview; and a discussion of experimental bias and implications for campus-based aid. (SW)

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QUALITY IN THE BASIC GRANT DELIVERY SYSTEM

Volume 1

Findings

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SUMMARY

This volume presents the findings from the first stage of the Basic Educational Opportunity Grant [BEOG] Quality Control project. These findings indicate substantial error in awards to students during the 1980-81 academic year.

Total dollar error is estimated to be $275 per recipient, or $650 million of the $2.2 billion (30 percent) awarded to the 2.36 million recipients represented by our sample. An estimated 71 percent of the recipients received an incorrect award.

Key findings show:

- The $650 million in dollar error was composed of $526 million in overawards to 50 percent of the recipients and $124 million in underawards to 21 percent of the recipients.
- Seventy-one percent of the recipients had awards that were incorrect by $2 or more. Over 40 percent had errors in excess of $150, and over 30 percent had errors in excess of $250.
- Approximately 19 percent of the recipients should have been ineligible for any award. Eight percent of the recipients were ineligible because of a lack of an affidavit of educational purpose [AEP] and/or financial aid transcript [FAT] on file.
- All errors related to institutional procedures resulted in $181 million in net overaward. Excluding statement of educational purpose and financial aid transcript error, this net overaward figure drops to $11 million. The $11 million in net overaward is composed of $111 million in overawards and $100 million in underawards to recipients.
- The application data element contributing the most toward application-related error was adjusted gross income [AGI]. If all AGI figures were correct, net overaward would decrease by $101 million.

- The next largest contributors toward error were incorrect application entries for income of the dependent student and spouse, home equity, and household size.

- On average, the higher a recipient's family AGI, nontaxable income, assets, or own income, the higher the estimated student error.

- Overawards are clustered in higher income groups and underawards in lower income groups. The effect of obtaining correct financial information could therefore be to decrease the funding now going to higher income groups and increase the funding to lower income groups.

- Private four-year schools had a significantly lower institutional award error per recipient than public four-year schools. Conversely, public two-year and proprietary schools had a significantly higher institutional award error per recipient than public four-year schools.

- Institutions that administer their own validation systems have a significantly lower absolute average institutional award error than those schools which do not.

- Recipients flagged for validation tended to decrease their eligibility during the school year, while those not flagged for validation tended to increase their eligibility throughout the year.

- The average absolute award discrepancy due to student error was $135 for recipients not flagged for validation, while the average absolute discrepancy due to student error was only $112 for similar recipients randomly flagged for validation.

- From the 1978-79 to the 1980-81 school year, average net overaward increased from $168 per recipient to $170 per recipient. During this time the average impact of student error increased from $48 to $94 net overaward per recipient, while the average impact of institution-related error decreased from $120 to $77 net overaward per recipient.

In this volume, we present the findings in more detail. In Volume 2, we recommend alternative management procedures to lower the rate and magnitude of Basic Grant program error. These corrective action recommendations are of two major types: mechanical and structural. The mechanical approach aims to make changes in the application, processing, and institutional areas within the context of the existing delivery system. The structural approach focuses on major changes in the Federal student aid delivery system as a whole. In Volume 3 the step-by-step methodology of the data gathering and analysis for the quality control project are discussed in detail.

CHAPTER 1

INTRODUCTION

This report presents the findings from the first stage of the Basic Educational Opportunity Grant [BEOG] Quality Control study. The report is designed to provide a comprehensive overview of the quality of the Basic (Pell) Grant distribution system. As the discussion in the following sections and chapters points out, reliable measurement and analysis of error in the BEOG program depend on a clear understanding of the BEOG award cycle and on careful and consistent definitions of institutional and recipient error. In the following sections of this chapter we set out the basic definitions of award and program error in the BEOG program.

BACKGROUND

The BEOG program, now called the Pell Grant Program, was enacted on June 23, 1972, as an amendment to the Higher Education Act of 1965. It is the cornerstone of the Federal effort in student financial assistance for undergraduates. For most students, Federal student aid begins with a Basic Grant which may or may not be supplemented by other forms of Federal and private financial assistance. A distinguishing feature of this program is its central concept of "entitlement," which specifies that students who demonstrate need will receive grants.

Quality Control

The concern for quality control in the Basic Grant program has increased with its extraordinary growth in both dollar volume (from $50 million to $2.4 billion) and student participation levels (from 185,000 to 2.7 million) since its inception in 1973. A wide-ranging series of quality control efforts has been ordered, funded, and initiated in the years preceding the current project. Examples of these efforts are (1) computer edits of application data; (2) selective validation of application data by financial aid administrators; (3) analysis of 1978-79 grant award accuracy; (4) program reviews by Central and Regional Department of Education staff; (5) audits and audit reviews; (6) data matches with other Federal sources of information; (7) training of financial aid administrators; and (8) field testing of application forms.

Prior to the current project, the performance of these efforts had not yet been studied comprehensively. Indeed, these efforts were instigated independently, and there is little knowledge or evidence that they have enabled integrated information, proactive decision making, or mutually reinforcing corrective actions. The primary objectives of this quality control project are therefore to:

- Assess errors in awards to students and in procedures used to disburse Basic Grants to students for the 1980-81 funding year
- Recommend corrective administrative actions to reduce error in the program
- Design, test, and install an ongoing, integrated Quality Control System to measure, analyze, document, and improve BEOG program performance through appropriate preventive and corrective actions

DESCRIPTION OF THE DATA

The findings presented in this report are drawn from sample data collected for the 1980-81 Basic Grant program year. The sample was selected to be representative of the entire BEOG recipient population as of fall 1980. Estimated averages of award errors for that population typically are accurate to within ± $40 with 95 percent confidence. Expressed in percentage terms, the 95 percent confidence intervals would typically be ± 16 percent.[1]

Given the importance of validation, the sample has the property of including a large enough number of validated students to support analysis of validation's effectiveness; sampling weights reflecting this design feature have been incorporated in statistical estimation procedures whenever appropriate. The total population represented by our sample is approximately 2.36 million BEOG recipients.

The data for the project analysis come from:

- 4,304 interviews with student recipients
- 3,829 interviews with recipients' parents
- 5,161 Internal Revenue Service copies of tax returns for recipients and for their parents
- 270 financial institutions, giving bank account information for a subset of recipients and parents
- 569 statements of recipients' or parents' home values provided by tax assessors (adjusted to local market values)

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[1] For sampling weights, sample design, and response rates see Quality in the Basic Grant Delivery System, Volume 3, Methodology.

- 4,553 Student Record Abstracts [SRAs] drawn from the financial aid and accounting files of the 305 institutions the recipients attend

- Interviews with financial aid administrators describing characteristics of the 305 institutions

In addition, data were analyzed from the entire computerized files of BEOG transactions and corrections for each recipient in our sample and for a control group of BEOG recipients selected to measure possible experimental effects of our project on students and institutions.

DEFINING AWARD ERROR

Calculations of error are based on a set of definitions which take the year-long BEOG program cycle into consideration. Program operations and survey design provide five points at which measurements on various items can be taken:

- The point at which the student eligibility index [SEI] is first calculated by the application processing contractor using application data and any necessary corrections. This value of the eligibility index is denoted as SEI(0).

- The point at which Westat gathered information from program records and sampled institutions in the fall of 1980. The eligibility index recorded at this time is denoted as SEI(1). Cost of attendance and enrollment status collected at that time are denoted as COST(1) and ENROLL(1), respectively.

- The period during which Westat completed parent and student interviews and collected releases for copies of tax returns, financial records, and property tax assessor data. This occurred in the late fall and early winter of the 1980-81 academic year. Data could be used to calculate an eligibility index from interview data, SEI(2).

- The period when Advanced Technology abstracted information from student records at the institutions. The eligibility index, cost of attendance, and enrollment

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status collected at that time are referred to as SEI(3), COST(3), and ENROLL(3). Data were also collected on actual and planned disbursements, AD(3).

- The period when institutions submit their final reconciliation rosters to the Department of Education. Values for the eligibility index, cost of attendance, enrollment status, and actual disbursements collected at this time are denoted as SEI(4), COST(4), ENROLL(4), and AD(4), respectively.[1]

We selected the most stringent documentation collected through these various efforts to obtain "best" values for income, assets, and family composition. In certain instances the "best" values represent judgment calls by the project analysts. This occurred in unusual family situations where unclear definitions for application items resulted in conflicting interpretations of "best" values. In general, the analysis assumed no error unless proven otherwise. These "best" values were combined, using the BEOG eligibility index formula, to calculate a "best validated" student eligibility index, SEI(*). This represents what we believe to be the most accurate SEI from which an award should be determined. Thus, SEI(*) is the standard we use for determining error.

The BEOG payment formula was applied to values of the SEI, cost of attendance, and enrollment status to calculate an expected disbursement. Since an expected disbursement need not be based on data collected simultaneously, we have adopted a time-specific notation to indicate the various combinations.

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[1] Data from this last period were not available in time for this report. An analysis of these data will be conducted in Stage Two of this project.

For example, ED[SEI(1), COST(3), ENROLL(3)] would be the expected disbursement using the fall index, SEI(1), and cost and enrollment values collected through the spring student record abstracts.

The definition of total dollar error used in this report is the difference between actual and planned disbursements recorded on institutional business office files in the spring and expected disbursements calculated using the best SEI and the cost and enrollment data recorded in the spring. If we let AD(3) be equal to this actual disbursement in the spring, then algebraically the error definition is:

AD(3) - ED[SEI(*), COST(3), ENROLL(3)]

This total dollar error can be further disaggregated into two distinct categories of error: student error and institution error. The following are the formulas used to compute these error types.

Student Error

For each student in the sample, a total dollar error in BEOG expected disbursement was computed. This amount is the difference between two quantities:

1. The expected disbursement amount, computed solely on the following institutional data:
    - The operative SEI index [SEI(3)], from institutions' official disbursement Student Eligibility Reports [SERs] obtained through student record abstracts at institutions

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- The verified total cost and enrollment status data [COST(3), ENROLL(3)], obtained through student record abstracts drawn from institutions' source records

Minus

2. The verified expected disbursement--the amount that should have been awarded--based on:

   - The verified student eligibility index [SEI(*)] computed using best values from student/parent interview data, IRS data, and data released from other agencies or institutions

   - The verified total cost and enrollment status data [COST(3), ENROLL(3)], obtained through SRAs drawn from institutions' source records

Expressed algebraically, the formula for computing student error is:

ED[SEI(3), COST(3), ENROLL(3)]

-ED[SEI(*), COST(3), ENROLL(3)]

Thus, student error is the difference between the amount the institution should have disbursed, i.e., based on the most up-to-date information available to the institution, and the amount which would have been disbursed based on the best value for the eligibility index.

Institutional Error

For each recipient in the sample, an institutional dollar error in BEOG awards was computed as the difference between:

The actual disbursements made (or planned) by institutions to students in our sample, as of April or May 1981, obtained through abstracts of business office records at institutions, AD(3) and

> The expected disbursement computed using the operative SEI and institutional data as described under Student Error, ED[SEI(3), COST(3), ENROLL(3)]

Expressed algebraically, the formula used to compute institutional error is:

AD(3) - ED[SEI(3), COST(3), ENROLL(3)]

Thus, institutional error is the difference between the actual amounts disbursed or scheduled for disbursement, as reflected by institutional records in the spring of 1981, and the expected disbursement amounts that we computed using the operative and verified enrollment data for the entire academic year and cost data collected through SRAs.

TYPES OF ERROR

There are seven specific types of error comprising total institution and student error (see Figure 1-1). The first type listed in the following section is solely attributable to students; the remaining six are caused either by student or institutional oversight but are referred to in this report as institutional error because they fall under the auspices of institutional responsibility.

1. Student Eligibility Index [SEI] Error

Data provided by students in their BEOG applications may result in the calculation of incorrect eligibility indexes. Potential award error caused by incorrect SEIs for every student in our sample, regardless of eligibility or actual disbursements, constitutes SEI error.

	ERROR TYPE	ESTIMATED ABSOLUTE DOLLAR DISCREPANCY ASSOCIATED WITH THIS ERROR[1]	ESTIMATED % OF RECIPIENTS WITH THIS ERROR[1]
1.	Student Error	$352 million	41%
2.	Bachelor's Degree or Citizenship Error	$ 3 million	0.2%
3.	AEP or FAT Error	$169 million	7.7%
4.	Program Eligibility Error	$ 25 million	1.3%
5.	Cost of Attendance Error	$ 63 million	15.0%
6.	Enrollment Status Error	$ 94 million	18.2%
7.	Calculation Error	$ 29 million	15.6%
	Sum of All Errors	$681 million	71%

[1] Individual recipients may have more than one type of error. Therefore, individual error rates do not add up to the total.

FIGURE 1-1

THE SEVEN TYPES OF ERROR

The next three types are errors made by institutions in determining whether a student is qualified to receive a Basic Grant based on student eligibility criteria set out in the Federal program regulations.

2. Eligibility Error Type I: Bachelor's Degree or Citizenship Error

Students who are not citizens or eligible noncitizens and students with bachelor's degrees are ineligible for Basic Grants.

3. Eligibility Error Type II: AEP and FAT Error

Institutions must collect a signed statement or notarized affidavit of educational purpose [AEP] stating that all funds received through Title IV programs will be used solely for education or educational purposes, and that the student is not in default on a loan at the institution he or she is attending. The institution is also required to have a certified financial aid transcript [FAT] on file for all transfer students before the institution may make a second disbursement of the student's BEOG award.

Because these two requirements seem to present special administrative problems for some institutions, these requirements have been treated as separate categories of eligibility error. Institutions may, for instance, collect notarized affidavits through some regular mechanism such as including them with institutional financial aid applications. Students receiving only BEOG or state grants would not have completed these applications, so they are asked to bring in separate statements during the academic term. Collecting the affidavits goes on, in some institutions, throughout the academic year. In cases where disbursements are made before receipt of an affidavit of educational purpose, the institutions are technically in violation of BEOG regulations. Institutions may not disburse a second payment to a transfer student before a financial aid transcript actually arrives, while they may make a first disbursement if they are satisfied that the transcript will arrive and be in order. Awards to students who have no affidavits or statements of educational purpose and disbursements of second payments to students who have no financial aid transcripts are counted here as Type II eligibility errors.

4. Eligibility Error Type III: Program Eligibility Error

Students receiving Basic Grants must be enrolled in a BEOG eligible program of at least six months in duration, and they must be enrolled at least half time in that program. Students must also maintain satisfactory academic progress and must not be in default on a loan or grant at the institutions they have attended. Institutions disbursing Basic Grants to students violating any of these conditions have awarded grants to ineligible students, and the entire amount of any funds disbursed is counted as a Type III eligibility error.

The following three types of error are grouped together under the general heading of Calculation and Accounting Error.

5. Cost of Attendance Error

Verified cost of attendance for students is calculated from data collected in the SRAs. The cost of attendance used by institutions is recorded on SERs in student files. The difference between awards calculated using the recomputed (verified) SRA cost of attendance and awards calculated using the cost of attendance recorded in file copy SERs constitutes real or potential error attributable to institutions in calculating cost of attendance.

6. Enrollment Status Error

Institutions should routinely check enrollment status at the time of disbursements, yet they do not record the status in any consistent manner or place, making it difficult to establish the enrollment status used by institutions when calculating award disbursements for each term.

Using data collected under this study, the error one would attribute to the institution's use of the incorrect enrollment status proration factor (full time, three-quarter time, or half time) involves the difference between the enrollment status figure developed from abstracted registrar data and the implied enrollment status proration factor from the institution's copy of the SER. This implied figure is the ratio of the following SER elements: "expected disbursements" and "scheduled award." Since scheduled award is based on full-time, full-year attendance, and expected disbursement is either the same or equal to this amount prorated for less than a full year and/or less than full time, the ratio would be equal to the proration factor apparently used by the institution as indicated by the file SER.

The value of these enrollment status errors is equal to the product of the differences in proration factors and the calculated expected disbursement based on SEI(3) and COST(3).

7. Calculation Error

Discrepancies between the sum of actual and planned disbursement data collected from institutions' accounting records and the expected disbursement the financial aid office recorded as the proper award constitute what is broadly called "calculation error." Calculation error may come from several sorts of bookkeeping or disbursement errors. Future disbursements may not yet have been posted in the institution's books, making it difficult for data collectors to verify payment amounts. Arithmetic or data processing errors on the part of institutions may result in incorrect disbursements. In any such case, the institution has failed to keep its files and records in a way which allows us to reconcile the difference between expected and actual disbursements. In the terms of this study, this failure represents error for which ED may legitimately hold the institution responsible.

Caveat

To prevent confusion, it is important to note the relationship of the immediately preceding three types of error (cost of attendance, enrollment, and calculation error) to the total institutional error amount discussed and enumerated elsewhere in this report. As we described earlier in this chapter, total institutional error was computed by comparing actual plus scheduled BEOG disbursements made by institutions to an expected disbursement figure which we calculated using the SEI abstracted from the file SERs and cost of attendance and enrollment status data obtained by our data collectors from institution source records (student schedules, catalogs, student tuition bills). Algebraically, this computation is expressed as AD(3)-ED[SEI(3), COST(3), ENROLL(3)]. Hence, institutional BEOG error is simply the difference between the amounts institutions paid to students and the amounts that should have been paid according to what we found in institution files.

Total institutional error falls naturally into two broad categories of error--program eligibility error and disbursement error. Institutional error that is not attributable to student misrepresentations or institutional mistakes in determining whether a student is eligible to receive an award falls naturally into the second category--disbursement error. In an effort to discover causes of disbursement error, we identified three logical subcategories where such error could occur and affect the award amount: (1) ascertaining the cost of attendance, (2) prorationing according to the correct enrollment status, and (3) making calculation errors.

To estimate the incidence of these types of error and their distribution among types of institutions, our only option was to use data from the official disbursement SERs, found in institutions' student aid files, as indicators for measuring specific types of error. Though we understand that institutional information from Section 3 of the SER, since it is not always updated, does not in many cases reflect the latest award computation and disbursement amount of a student's award, it is the only record available to us. As current practices exist, there is no other document across all institutions where a record is consistently kept of the institutional process which culminates in an award determination, with updates to the award amount reflecting each time a change in enrollment status, cost of attendance, or eligibility status occurs. We expect that Title IV program reviewers and other outside reviewers, such as compliance auditors, encounter this same problem when examining institutional procedures related to the administration of Basic Grants.

ORGANIZATION OF VOLUME 1

In this chapter we discussed the nature of data analyzed for this BEOG Quality Control study, the definitions and methods of calculating award error, and the types of error occurring in the BEOG program.

Chapter 2 presents an overview of the general study findings and of the estimates of the total and average amounts of student, processor, and institutional error.

In Chapters 3, 4, and 5 we discuss in more detail the nature and probable causes of student, processor, and institutional error, respectively.

In Chapter 6 we present findings of our analysis of error-prone populations and institutions.

In Chapter 7 we explore the impact of BEOG validation procedures.

Finally, in Chapter 8 we provide a comparison of the findings from this project with findings from a previous Quality Control project conducted in 1978-79.

CHAPTER 2

SUMMARY OF FINDINGS ON ERROR

OVERVIEW OF TOTAL ERROR

In this chapter we present our estimates of award error in the Basic Grant program in total and by its component parts--student, processor, and institution. In Chapter 1 we presented the definition of total dollar error:

AD(3) - ED[SEI(*), COST(3), ENROLL(3)]

Total dollar error is the difference between actual and planned disbursements recorded in institutional records in the spring of 1981 less an expected disbursement calculated using the "best" information on application data, cost of attendance, and enrollment status. For 1980-81 we estimate total dollar error to be $650 million. This is shown in Figure 2-1.

In some cases an institutional overaward cancels an application-related underaward, or vice versa. Therefore, the sum of institutional and student error exceeds total dollar error. For 1980-81 we estimate the sum of institutional and student error to be $681 million. In all, an estimated 71 percent of the Basic Grant recipients represented in our sample, or almost 1.7 million students, had awards that were incorrect by $2 or more.

In Figure 2-2 we show the distribution of recipients by dollar discrepancy range. Just under 60 percent of the recipients had errors in excess of $50, and over one-third (34 percent) had errors in excess of $250, when student and institutional

	ALL ERROR (OVERAWARDS + UNDERAWARDS)	NET ERROR (OVERAWARDS - UNDERAWARDS)	OVERAWARDS	UNDERAWARDS
Sum of Error[1]	$681 M	$403 M	$542 M	-$139 M
Dollar Error[2]	$650 M	$402 M	$526 M	-$124 M
% with Error[3]	71%	71%	50%	21%
Mean Dollar Error for Those with Errors	$388	$240	$448	-$249
Mean Dollar Error Per Recipient	$275	$170	---	---
% of Sum of Error Due to Student Error	47%	55%	50%	35%

[1] For any recipient, sum of error is the sum of student and institutional error.

[2] For any recipient, dollar error is the discrepancy between what was awarded and what should have been awarded.

[3] Unduplicated count of those with error.

FIGURE 2-1

ESTIMATED ERROR IN THE BASIC GRANT PROGRAM
1980-81

	PERCENTAGE OF CASES		
AWARD ERROR	ALL STUDENT & INSTITUTION ERROR	STUDENT & INSTITUTION ERROR NOT INCLUDING AEP/FAT ERROR	STUDENT ERROR NOT INCLUDING AEP/FAT ERROR
- $551 and less	2.3%	2.5	0.7
- $251 to - $550	5.0%	5.6	2.1
- $151 to - $250	3.7%	3.9	1.6
- $51 to - $150	6.1%	6.4	3.0
- $3 to - $50	3.9%	4.3	2.0
$2 to - $2	29.8%	32.3	59.7
$3 to $50	8.2%	8.8	4.9
$51 to $150	8.0%	8.4	5.7
$151 to $250	6.4%	6.7	4.7
$251 to $550	11.4%	11.0	7.6
More than $550	15.3%	10.2	7.9

FIGURE 2-2

DOLLAR ERROR BY RANGES

errors are both considered. When AEP/FAT error is not included and only student error is considered, 33 percent had errors in excess of $50, and 25 percent had errors in excess of $150.

As Figure 2-1 shows, the value of overawards exceeded underawards by a ratio of more than four to one. Also, the frequency of overawards exceeded underawards by two and a half to one. The preponderance of overawards results in a net dollar overaward of an estimated $402 million in 1980-81. Thus, the average Basic Grant recipient received $170 too much for the year.

Another way to display the overall error findings is by correct award, underaward, overaward to eligibles, and award to ineligibles. This is shown in Figure 2-3. The 19 percent who are in the ineligible category when AEP/FAT error is included as error are there either because the data we collected to verify their applications gave them a calculated index (SEI[*]) greater than 1,600 (an estimated 11 percent of the recipients) or because of program regulations regarding citizenship, eligible program, a bachelor's degree, satisfactory academic progress, or possession of a statement of academic purpose or financial aid transcript (an estimated 9 percent of the recipients). Approximately 1 percent of the recipients were determined to be ineligible for both reasons.

According to regulations, the lack of an AEP and/or an FAT in the recipient's financial aid file makes the recipient ineligible. This is a procedural discrepancy which may have no bearing on student eligibility. When AEP/FAT error is not included,

	CORRECT AWARDS	UNDER-AWARDS	OVERAWARDS TO ELIGIBLES	AWARDS TO INELIGIBLES
With AEP/FAT Error				
Percent of Recipients	29%	21%	31%	19%
Approximate Number of Recipients	680,000	500,000	730,000	450,000
Without AEP/FAT Error				
Percent of Recipients	31%	23%	34%	12%
Approximate Number of Recipients	730,000	540,000	800,000	280,000

FIGURE 2-3

DISTRIBUTION OF ERROR

the percent ineligible falls to 12 percent. In addition, the sum of error drops to $563 million and dollar error drops to $527 million (see Figure 2-4).

In Chapter 1 we referred to seven types of error. Figure 2-5 summarizes error associated with each group. The first type, SEI error, was due to the applicants. In the next section we examine SEI error more closely.

OVERVIEW OF STUDENT ERROR

In Figure 2-6 we break down the overall error of Figure 2-1 into its institutional and student components. Student error, that is, error resulting in the computation of an eligibility index (SEI[*]) which causes a difference in award of more than $2 (see Chapter 1 for precise definition of student error), resulted in over 55 percent of the net error in grant disbursement.

An estimated 38 percent of the recipients had errors in their applications which resulted in award error. More than 3 times as many recipients had application errors in their favor (29 percent) than had errors resulting in underawards (9 percent). Further, the average overaward due to students was $398, while the average underaward was only $231.

As footnote 3 of Figure 2-6 shows, the total estimated student error rises (from $318 million to $352 million) if the lack of an AEP or FAT on file is not regarded as error. This is because in our priority ranking we did not count application error if a student was categorically ineligible for other reasons. Removing one category of error (lack of AEP/FAT) allows

	ALL ERROR (OVERAWARDS + UNDERAWARDS)	NET ERROR (OVERAWARDS - UNDERAWARDS)	OVERAWARDS	UNDERAWARDS
Sum of Error[1]	$563 M	$257 M	$410 M	-$153 M
Dollar Error[2]	$527 M	$256 M	$392 M	-$135 M
% with Error[3]	69%	69%	46%	23%
Mean Dollar Error for Those with Errors	$324	$157	$364	-$250
Mean Dollar Error Per Recipient	$223	$109	-	-
% of Sum of Error Due to Student Error	63%	96%	73%	35%

[1] For any recipient, sum of error is the sum of student and institutional error.

[2] For any recipient, dollar error is the discrepancy between what was awarded and what should have been awarded.

[3] Unduplicated count of those with error.

FIGURE 2-4

ESTIMATED ERROR IF MISSING AEP OR FAT IS NOT COUNTED AS ERROR

	RECIPIENTS WITH ERROR	PERCENT OF ALL RECIPIENTS	MEAN ABSOLUTE ERROR FOR RECIPIENTS WITH ERROR
Student [SEI] Error	897,000	38%	$355
Student Error Not Counting AEP/FAT Error[1]	968,000	41%	$364
Total Institution Error	991,000	42%	$366
Institution Error Not Counting AEP/FAT Error	873,000	37%	$241
Components[2]			
AEP/FAT Error	181,000	7.7%	$933
BA and Citizenship Error	4,000	.2%	$849
Program Eligibility Error	31,000	1.3%	$789
Enrollment Status Error[3]	430,000	18.2%	$219
Calculation Error[3]	368,000	15.6%	$ 79
Cost of Attendance Error	354,000	15.0%	$177

[1] When AEP/FAT error by institution is not counted as disbursement error, student error grows in frequency and magnitude as a factor in overall disbursement error. This is because errors that were smaller than AEP/FAT in cases with AEP/FAT error become significant and are counted once AEP/FAT error is ignored. Such errors were subsumed by AEP/FAT error in the original calculations.

[2] Component figures are computed independently for each type of error. The sum therefore exceeds the total of all error, because error has been counted more than once in all cases where more than one type of error occurs.

[3] *Estimated* breakdown of institutional error components using spring 1981 data. Final component figures will be derived from institutional reconciliation rosters as part of Stage Two of this project.

FIGURE 2-5

COMPONENTS OF BEOG DISBURSEMENT ERROR
1980-81

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	ALL ERROR[1] DOLLARS	ALL ERROR[1] % OF RECIPIENTS	ALL ERROR[1] MEAN[2]	NET ERROR DOLLARS	NET ERROR % OF RECIPIENTS	NET ERROR MEAN[2]
Institution Error[3]	$363 M	42%	$364	$181 M	42%	$183
Student Error[3]	$318 M	38%	$355	$222 M	38%	$247
Sum of Student & Institution Errors	$681 M	71%[4]	$407	$403 M	71%[4]	$241
Total Dollar Error	$650 M	71%[4]	$388	$402 M	71%[4]	$239

	OVERAWARDING ERROR DOLLARS	OVERAWARDING ERROR % OF RECIPIENTS	OVERAWARDING ERROR MEAN[5]	UNDERAWARDING ERROR DOLLARS	UNDERAWARDING ERROR % OF RECIPIENTS	UNDERAWARDING ERROR MEAN[5]
Institution Error[3]	$272 M	26%	$441	-$ 91 M	16%	-$239
Student Error[3]	$270 M	29%	$398	-$ 48 M	9%	-$231
Sum of Student and Institution Errors	$542 M	50%[4]	$462	-$139 M	21%[4]	-$279
Total Dollar Error	$526 M	50%[4]	$448	-$124 M	21%[4]	-$249

[1] Amount of total institutional error plus all student error per recipient totaled independently.

[2] Mean for all recipients with error.

[3] All disbursements to students who are ineligible due to institutional error are counted as institutional error in these computations. If SEI error among recipients missing affidavits or statements of educational purpose, or financial aid transcripts, is added to this figure, student error totals $352 million (net student error is $246 million).

[4] Unduplicated count of institution and/or student error.

[5] Mean for all students with overaward (underaward).

FIGURE 2-6

ESTIMATED INSTITUTION AND STUDENT ERROR, 1980-81

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recipients with this error to now be counted in with other recipients who have application error. In Figure 2-7 we further break down the overall error excluding the lack of an AEP/FAT into its institutional and student components. Net student error under such terms was $246 million, and net institutional error was $11 million, for a total net overaward of $257 million.

We discuss student-related error in greater detail in Chapter 3.

OVERVIEW OF PROCESSOR ERROR

An analysis of the error rates associated with data entry by Multiple Data Entry [MDE] application processors revealed little error. The results indicated an estimated 1 data entry error for every 1,667 data items. This translates into 1 data entry error for every 37 applications (2.7 percent).

The Student Eligibility Report [SER] instructs applicants to review the report for incorrect data entry and to return the SER to the processor if there are discrepancies. An estimated 78 percent of all data entry errors were never corrected by the applicants. In fact, of all the data entry errors that were to the disadvantage of the applicant, 60 percent were never corrected by the applicant.

In Chapter 4 we discuss processor data entry error in more detail.

OVERVIEW OF INSTITUTIONAL ERROR

Figure 2-8 shows the incidence of categorical errors in sample data. Each of these types of error is described in Chapter

	ALL ERROR[2]			NET ERROR		
	DOLLARS	% OF RECIPIENTS	MEAN[3]	DOLLARS	% OF RECIPIENTS	MEAN[3]
Institution Error[1]	$211 M	37%	$241	$ 11 M	37%	$ 14
Student Error[1]	$352 M	41%	$363	$246 M	41%	$254
Sum of Student & Institution Errors	$563 M	69%[4]	$346	$257 M	69%[4]	$158
Total Dollar Error	$527 M	69%[4]	$323	$256 M	69%[4]	$158

	OVERAWARDING ERROR			UNDERAWARDING ERROR		
	DOLLARS	% OF RECIPIENTS	MEAN[5]	DOLLARS	% OF RECIPIENTS	MEAN[5]
Institution Error[1]	$111 M	20%	$236	-$100 M	17%	-$243
Student Error[1]	$299 M	31%	$403	-$ 53 M	10%	-$233
Sum of Student and Institution Errors	$410 M	46%[4]	$381	-$153 M	23%[4]	-$284
Total Dollar Error	$392 M	46%[4]	$364	-$135 M	23%[4]	-$250

[1] Missing affidavits or statements of educational purpose and financial aid transcripts are not included as institutional error. Any cases with error greater than two dollars are included.

[2] Amount of error associated with all types of total institutional error plus all types of student error per recipient totaled independently.

[3] Mean for all recipients with error.

[4] Unduplicated count of institution and/or student error.

[5] Mean for cases with error.

FIGURE 2-7

ESTIMATED INSTITUTION AND STUDENT ERROR NOT INCLUDING AEP/FAT ERROR, 1980-81

	SAMPLE	WEIGHTED[1]
Holds B.A. Degree	.13%	.17%
Citizenship	.04%	.06%
No Affidavit, Statement of Educational Purpose	4.08%	3.74%
No Financial Aid Transcript	4.08%	4.10%
Program Eligibility Errors		
Course less than six months	.02%	.03%
Enrollment status less than half time	.11%	.06%
Nondegree student	.04%	.06%
Grant or loan default	.09%	.07%
Not maintaining satisfactory academic progress	1.19%	1.23%
Total Categorically Ineligible Recipients	9.34%	9.1%

[1] Percentages have been adjusted to reflect sample weights for validated and nonvalidated students. Because some students had more than one kind of eligibility error, the percentages listed here add to different totals than those presented in Figure 2-5.

FIGURE 2-8

CATEGORICALLY INELIGIBLE RECIPIENTS

1. As the figure indicates, the only categorical items which create serious problems for program integrity are the collection of affidavits of educational purpose, financial aid transcripts, and, to a lesser extent, adherence to institutional standards for satisfactory academic progress for Basic Grant recipients.

Citizenship and bachelor's degree errors are similar in that both are the result of students misreporting or misrepresenting, as well as matters for which institutions must take responsibility for rectifying. As Figure 2-5 shows, total disbursements to students who are ineligible for either or both of these reasons average $849, but only .2 percent of the recipient population were found to be ineligible on these grounds. Taken together, program eligibility factors--students enrolled less than half time, students in nondegree programs, students in default on loans or grants, and students not maintaining satisfactory academic progress--add another 1.3 percent to the total of ineligible students. The largest number of ineligible students are those ineligible for disbursements because they do not have signed statements or affidavits of educational purpose or (for transfer students) financial aid transcripts on file at the institutions they attend. Corrective action already initiated by ED for the 1982-83 award year should eliminate the problem of missing statements of educational purpose.

In addition to problems with categorical ineligibility, a portion of institutional error is due to incorrect monitoring of cost of attendance or enrollment status and to calculation error (a variety of bookkeeping and disbursement discrepancies). As Figure 1-1 shows, we estimate the absolute dollar discrepancies associated with these three types of institutional error to be $63 million, $94 million, and $29 million respectively, as of the time of data collection (spring 1981).

Referring back to Figure 2-6, you will see that institution related error accounted for an estimated $181 million in net overawards and $363 million in total award error. Further, 42 percent of all recipients had award errors resulting from institutional error, with overawards outnumbering underawards by a ratio of more than 1.5 to 1 (26 percent to 16 percent).

If we do not count a missing AEP or FAT as error, net overawards associated with institutional error drop to $11 million, and total award error (overawards plus underawards) drops to $211 million. Thus, a missing AEP or FAT contributes virtually all of the net overaward and over 40 percent of the total award error attributable to institutions. We discuss institution error in more detail in Chapter 5.

CHAPTER 3

RECIPIENT ERROR

This chapter examines the errors made by recipients and their families in applying for Basic Grants. The chapter presents evidence relating to four critical questions:

- How is recipient error measured?
- What are the kinds of recipient error and how significant are these errors?
- Who makes the errors?
- What are the causes of the errors?

The measurement of recipient error in this project was based on comparisons of verifying documentation for Basic Grant applications with the data actually entered by applicants onto the application form, as indicated by the Student Eligibility Report [SER]. For each student, data recorded on the SER have been compared to application verification data obtained from student/parent interviews, students' financial aid files, IRS forms, financial institution records, and tax assessors' records. For most of the analyses, no tolerance is allowed for discrepancies on nonmonetary items, but a $2 tolerance is allowed for monetary items.

Applying these standards among those cases for whom relevant item documentation is available, the five most frequently discrepant application items were Social Security income, medical/dental expenses, tuitions, cash/savings/checking account assets, and home debt. Each of these items was incorrect in over 50 percent of the documented cases.

Errors were somewhat lower on the critical items for eligibility calculations. For example, among students with documentation, 24 percent of the recipients reported incorrect adjusted gross income [AGI] data, and 41 percent of dependent recipients reported incorrect student/spouse income.

When the base for error rates is defined as all students rather than those with documentation on an

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item, the five least accurate items become cash/savings/checking account assets, earned income for the head of the household, medical/dental expenses, home value, and home debt. Each of these items was incorrect for over 24 percent of the sample cases. Not far behind were two of the critical items: AGI (missed by 19 percent of the recipients) and student/spouse income (missed by 19 percent of the dependent recipients). Approximately 6 percent of the recipients reported incorrect dependency status, the great majority being true dependents claiming independent status.

In terms of the dollar impact of recipient error, the critical SEI items did far more than the more frequently discrepant items to contribute to the large net overaward in the program. Specifically,

- AGI contributed $101 million of overaward to net program award error, over twice as much as any other item.
- Student/spouse income for dependent students was second with a $43 million overaward contribution to net program error.
- Home equity was third with a $38 million overaward contribution to net program error.
- Household size was fourth with a $33 million overaward contribution to net program error.
- Student/spouse assets for dependent students were fifth with a $26 million overaward contribution to net program error.

Although these data for all items cannot be totaled to arrive at total recipient error, due to overlapping errors on many applications, they do provide strong guidelines as to the most problematic areas of the application process.

Among the tax filers, errors on critical items were made far more frequently by those who estimated their eventual tax return data than by those who used completed tax return data. For example, 52 percent of those filers estimating AGI made errors, as opposed to 19 percent of those using completed returns. The timing of the application cycle may therefore be implicated in many AGI errors.

The causes of these errors apparently are due, at least in part, to poor understanding of the application form instructions. The items reported by recipients and their families to be most difficult to understand (e.g., home debt, medical/dental expenses) were indeed among those highest in actual discrepancies.

The central processor and ED were apparently the least satisfactory sources of assistance for recipients not understanding the form or the system, but a clear majority of recipients were satisfied with each possible source of assistance.

There is little evidence that assistance from aid officers, ED, or other sources eliminates errors, however, since student error rates among those assisted were very similar to error rates among those not assisted.

BACKGROUND

The Quality Control project uncovered erroneous application data for a large number of recipients. As noted in Chapter 2, this erroneous information translates into substantial error in the size of students' Basic Grant awards. This chapter examines errors made by recipients and their families in applying for Basic Grants.[1] Subsequent chapters will examine the errors made by the other actors in the Basic Grant delivery system (processors and institutions).

The organization of the chapter reflects a sequence of four questions: How is recipient error measured? What are the kinds of recipient error and how significant are these errors? Who makes the errors? What are the causes of the errors? These questions are successively answered in the four sections of the chapter:

1. Measuring Recipient Error
2. The Nature and Extent of Recipient Error
3. The Distribution of Error among Recipient Groups
4. The Causes of Recipient Error

MEASURING RECIPIENT ERROR

The examination of recipient error was based on comparisons of verifying documentation for applications (e.g., parents' tax returns) with the data entered by applicants onto the application form, as indicated by the Student Eligibility Report [SER]. For each student, data recorded on the SER have been compared to verification data obtained from student and parent interviews, students' financial aid files, copies of Federal tax forms released by students and parents, financial institution records, and tax assessors' records. Unless otherwise stated, a discrepancy is defined as follows: for nonmonetary items, any difference between SER and verified data is recorded as a discrepancy. For monetary items, a tolerance of up to $2 is allowed before recording a discrepancy.[1]

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[1] Unless otherwise noted, all of the data reported in this chapter are weighted to reflect the 2.36 million BEOG recipient pool at the point in the 1980-81 application year at which the survey was made.

For each SER item, we compared the information supplied by each student to the most reliable verified value obtained in our data collection efforts. When available, "hard" documentation --i.e., values verified by certified, notarized, or otherwise official documents--was given more weight than "soft" documentation such as unsigned documents, handwritten notes, or verbal assertions. When several hard items or several soft items were present, we relied upon the hardest documentation available for that case. In summary, for the error analysis we used the hardest available documentation for each item for each case.

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[1] Data entry or computing error at the processor could account for some errors that would appear to be recipient error under this methodology. To allow rejection of that hypothesis, the extent and significance of uncorrected processor error must be very low. Chapter 4 reveals that, in fact, to be true. The findings of this chapter therefore legitimately reflect recipient error, not processor error.

The "hardness" hierachy may be summarized as follows. Copies of Federal tax returns obtained directly from the Internal Revenue Service are considered the strongest documentation for the SER items which can be verified by tax form data (AGI medical and dental expenses, number of exemptions, and taxes paid). Data from financial institutions override other data for verification of bank accounts, and data from tax assessors' records override other data on home value. Next in order of verification strength are parent and student data. For dependent student cases, parent data override student data on every item except those relating to student income and assets. Student data override parent data for all income items for independent students, but not for other items. The least strong verification data are those from Student Record Abstracts [SRAs] at aid offices. Hard documentation from these records, however, overrides soft documentation from parent or student interviews.

The extent of documentation collected for each BEOG application is reported in Figure 3-1. For a number of items, documentation was available for a majority of the sample (e.g., bachelor's degrees, AGI). This was particularly true for validation items. For others (e.g., tuitions, investment value), we were able to collect any kind of documentation for only a small fraction of the sample. Often, families simply had no tuitions, investments, or other esoteric financial characteristic, so there was nothing to be documented for those items. For each of the

ITEM[1]	RECIPIENTS WITH HARD DOCUMENTATION[2] % OF TOTAL SAMPLE	RECIPIENTS WITH HARD DOCUMENTATION[2] % DISCREPANT	RECIPIENTS WITH HARD OR SOFT DOCUMENTATION % OF TOTAL SAMPLE	RECIPIENTS WITH HARD OR SOFT DOCUMENTATION % DISCREPANT	ALL RECIPIENTS % DISCREPANT
Citizenship	49	2	87	1	1
Marital Status (Student)	1	28	92	2	4
Bachelor's Degree	97	0+	97	0+	0+
Live with Parents, 1979	17	1	94	2	2
Live with Parents, 1980	21	3	95	5	5
Exemption, 1979	24	3	85	3	3
Exemption, 1980	NA	NA	84	6	5
Support, 1979	7	8	94	15	15
Support, 1980	7	9	94	16	17
Household Size	15	17	92	22	22
Number in Postsecondary Education	5	10	91	19	19
Marital Status (Household)	1	20	91	4	2
Filed IRS	NA	NA	91	3	3
Estimated Taxes	NA	NA	71	17	13
Number Exemptions	70	5	78	6	5
Adjusted Gross Income	70	23	74	24	19
Taxes Paid, 1979	54	24	74	24	19
Itemized Deductions	26	23	28	23	7
Social Security Income, 1979	5	71	12	70	9
Other Nontaxable Income	4	56	79	16	14
Earned Income (Head of Household)	6	47	80	42	36
Earned Income (Spouse)	3	41	41	34	15
Medical/Dental Expenses	29	56	53	58	32
Tuitions	4	61	8	54	4
Cash/Savings/Checking	28	80	72	52	40
Home Value	33	62	64	43	29
Home Debt	23	68	44	51	24
Investment Value	1	44	9	34	3
Investment Debt	1	41	9	16	2
Business/Farm Value	1	37	61	6	4
Business/Farm Debt	1	62	63	5	3
VA Educational Benefits, Monthly	2	54	92	2	2
VA # Months	1	21	3	24	1
Social Security Income, 1980	1	38	1	38	0+
Social Security # Months, 1980	1	17	1	17	0+
Income, 1979 (Student+Spouse)	41[3]	41[3]	44[3]	41[3]	19[3]
Assets (Student+Spouse)	17[3]	53[3]	77[3]	25[3]	21[3]

[1] Underlined items are required data elements for BEOG validation.

[2] NA denotes the fact that hard documentation cannot exist (by definition) for this item.

[3] Percent of dependent students.

FIGURE 3-1

DOCUMENTATION AND DISCREPANCY PATTERNS FOR THE VARIOUS APPLICATION ITEMS

items critical to SEI calculation, however, the extent of documentation collected is very good, even among nonvalidated students.

To assure that the quality of the hard documentation provided interviewers by parents and students was adequate for study purposes, Advanced Technology compared the information they provided with secondary documentation obtained from the IRS, tax assessors, and financial institutions. With the exception of home value, medical/dental expenses, and cash/savings/checking, the match for each item checked was correct within $2 in more than 80 percent of the cases.

THE NATURE AND EXTENT OF RECIPIENT ERROR

Discrepancies between application data and verification data are used in this chapter to measure inaccuracies in the information reported by applicants. Unless otherwise noted in the chapter, all student error is reported, regardless of the level of overlapping institutional error for a student's case. The reader should bear in mind the distinction between application error (e.g., error of over $2 on monetary items) and student-caused award error, as reported in Chapter 2 and elsewhere. The latter occurs for only a subset of cases having the former kind of error. Many of the application errors reported in this chapter have no effect on awards at all.

It must also be carefully noted that overall discrepancy rates are dependent upon the availability of verifying documentation. Those application items tending to have extensive hard documentation may show higher discrepancy rates than other items having less documentation, even though those other items may in fact be frequently misreported. In addition, the discrepancy rate for all recipients may be much lower than that for only those with hard documentation for those items which very few recipients have (e.g., business value). For these reasons, we present in Figure 3-1 error rates which reflect strong documentation separately from rates which reflect either soft or hard documentation and from rates for the sample of all recipients as a whole, regardless of level of documentation.

Generally, in the chapter text and tables following the discussion of Figure 3-1, unless otherwise noted, error data are presented for all recipients, regardless of their documentation or lack thereof. The rationale for this approach is that many recipients have no Social Security, VA income, or other esoteric application resource, and to base total program error estimates only on those who have documentation would be to misweight various factors in overall error. For example, it may be that a majority who have VA income misreport it, but most recipients do not have it. It therefore cannot be inferred that a majority of recipients misreport it. Total error would be overestimated.

Errors in Application Items in General

Error rates based on hard documentation are reported in the second column of Figure 3-1. Data here represent the percentage of people among those having hard documentation who have discrepancies in an item. The fourth column shows the error rates for all who had either soft or hard documentation on an item. The fifth column shows error rates for all recipients, regardless of their documentation. Differences in discrepancy data for validated and nonvalidated recipients were analyzed but revealed generally similar patterns, so these are not presented here.

The data in Figure 3-1 reveal that item discrepancy rates are similar for those with hard documentation and those with either hard or soft documentation. Because not all recipients have each item in their own financial picture, there are major differences on some items between error rates for those with hard or soft documentation and rates for all recipients regardless of documentation (for example, examine the respective error rates for tuitions).

The rates also vary widely between items in each discrepancy column. In general, error rates were highest for items not critical to SEI calculations. Still, a number of critical items, including AGI, taxes paid in 1979, dependent student and spouse income, earned income portions, and dependent student and spouse assets were found to be discrepant in at least 20 percent of the documented recipient population.

Of particular importance to program outlays in BEOG is the finding that AGI, the single most important item in the eligibility formula, was incorrect for 24 percent of the recipients having documented AGI and 19 percent of all recipients. Also highly important for budget purposes is the fact that the number in postsecondary education, another critical

SEI factor, was incorrect for 19 percent of documented cases and 19 percent of all recipients.

The strict definition of error in Figure 3-1 (greater than $2 discrepancy on monetary items, any discrepancy on other items) may distort the significance of item discrepancies. For example, one might argue that only AGI errors of over $200 merit ED concern. Figures 3-2 and 3-3 depict the distribution of discrepancies by size for key application items. These figures include data for students for whom we could find no documentation.

The figures show that in most instances item discrepancies on key SEI items are concentrated in a narrow range below and above the true values for the item. But we also see a marked tendency toward student misreporting that leads to overawarding error. In other words, taxes paid are generally overreported, income is generally underreported, assets are generally underreported, and so forth. The range of misreporting is greater among dependent students, probably because dependent recipient families have a wider range of incomes and assets.

A useful summary approach to the data of Figures 3-2 and 3-3 is the examination of the percentages within different error ranges. Figure 3-4 reveals that medical and dental expenses, along with cash/savings/checking, are the application items most likely to contain discrepancies of over $2 for dependent students. There is a $500 tolerance for Basic Grant validation checks of the various family income items for dependent recipients, and the figure reveals that for each item about 90 percent

DISCREPANCY BETWEEN FALL SER & VERIFIED FIGURES	PERCENT OF RECIPIENTS							
	ADJUSTED GROSS INCOME	TAXES PAID, 1979	SOCIAL SECURITY INCOME, 1979	OTHER NONTAXABLE INCOME	CASH/ SAVINGS/ CHECKING	MEDICAL/ DENTAL EXPENSES	DEPENDENT STUDENT INCOME	DEPENDENT STUDENT ASSETS
- $10,001 and Less	0.4	0	0	0	0.4	0	0	0
-5,001 to -10,000	1.0	0	0.1	0.1	0.5	0	0.1	0.1
-2,001 to -5,000	2.2	0.7	0.5	0.6	1.5	0.3	0.7	0.2
-1,001 to -2,000	1.5	0.6	0.4	0.7	2.3	0.7	1.6	0.6
-501 to -1,000	2.5	1.5	0.7	0.9	3.0	2.8	2.7	0.9
-301 to -500	1.0	1.0	0.5	0.6	2.5	3.0	1.7	0.9
-201 to -300	0.6	0.5	0.4	0.4	2.4	1.9	1.7	1.1
-101 to -200	1.0	1.2	0.5	0.6	3.6	4.2	2.2	1.8
-51 to -100	1.1	0.8	0.1	0.6	2.9	2.8	1.3	1.7
-3 to -50	2.1	1.3	0.4	0.5	6.1	3.7	2.1	4.4
-2 to 2[1]	80.4	79.1	89.9	88.5	59.9	63.7	82.2	80.4
3 to 50	0.7	2.2	0.4	0.5	2.3	4.0	1.2	2.6
51 to 100	0.4	1.2	0.3	0.2	1.8	2.9	0.6	1.7
101 to 200	0.4	2.1	0.5	0.5	2.4	2.6	0.8	1.5
201 to 300	0.5	1.8	0.2	0.3	1.6	2.0	0.3	0.8
301 to 500	0.6	2.7	0.7	0.7	1.8	2.3	0.3	0.8
501 to 1,000	0.9	1.4	0.9	0.8	1.7	2.2	0.4	0.4
1,001 to 2,000	0.8	0.8	1.2	1.5	1.2	0.9	0.2	0.2
2,001 to 5,000	1.3	0.3	1.8	1.5	1.3	0.1	0	0
5,001 to 10,000	0.5	0	0.6	0.5	0.4	0	0	0
Over 10,000	0.2	0	0	0.1	0.3	0	0	0

[1] Includes those with no discrepancy

FIGURE 3-2

PERCENTAGES OF DEPENDENT STUDENTS HAVING DISCREPANCIES OF VARIOUS MAGNITUDES ON KEY ITEMS

DISCREPANCY BETWEEN FALL SER & VERIFIED FIGURES	PERCENT OF RECIPIENTS					
	ADJUSTED GROSS INCOME	TAXES PAID, 1979	SOCIAL SECURITY INCOME, 1979	OTHER NONTAXABLE INCOME	CASH/ SAVINGS/ CHECKING	MEDICAL/ DENTAL EXPENSES
- $10,001 and Less	0.2	0	0	0	0	0
-5,001 to -10,000	0.4	0	0.1	0	0.1	0
-2,001 to -5,000	0.9	0	0.4	1.1	0.3	0
-1,001 to -2,000	1.7	0.3	0.3	0.8	0.5	0.3
-501 to -1,000	2.2	0.3	0.1	0.6	1.0	0.8
-301 to -500	1.1	0.5	0.4	1.3	1.6	0.8
-201 to -300	0.4	0.2	0.3	1.0	1.3	0.7
-101 to -200	1.0	0.4	0.1	0.7	[illegible]	0.8
-51 to -100	1.0	0.5	0.1	0.6	2.5	2.0
-3 to -50	2.6	1.4	0.4	0.4	8.1	4.0
-2 to 2[1]	84.3	87.9	96.7	83.8	68.8	81.0
3 to 50	0.9	1.8	0.6	0.7	4.4	4.6
51 to 100	0.7	0.7	0.2	0.7	2.8	1.7
101 to 200	0.3	2.3	0.5	1.4	2.0	1.5
201 to 300	0.3	1.2	0	0.9	1.1	0.4
301 to 500	0.3	2.0	0.2	1.2	1.1	0.7
501 to 1,000	0.5	0.6	0.3	2.1	0.7	0.6
1,001 to 2,000	0.6	0	0.2	1.0	0.2	0.2
2,001 to 5,000	0.3	0	0.1	1.7	0	0
5,001 to 10,000	0.2	0	0.1	0.1	0	0
Over 10,000	0.1	0	0	0	0	0

[1] Includes those with no discrepancy

FIGURE 3-3

PERCENTAGES OF INDEPENDENT STUDENTS HAVING DISCREPANCIES OF VARIOUS MAGNITUDES ON KEY ITEMS

	PERCENTAGE OF RECIPIENTS WITHIN VARIOUS DISCREPANCY RANGES				
ITEM	-$2 to 2[1]	-$100 to 100[1]	-$500 to 500[1]	-$1,000 to 1,000[1]	More Than a $1,000 Discrepancy
Adjusted Gross Income	80.4	84.7	88.8	92.2	7.9
Taxes Paid, 1979	79.1	85.4	94.7	97.6	2.4
Social Security Income, 1979	89.9	91.1	93.9	95.5	4.6
Other Nontaxable Income	88.5	90.3	93.4	95.1	5.0
Cash/Savings/Checking	59.9	73.0	87.3	92.0	7.9
Medical/Dental Expenses	63.7	77.1	93.1	98.1	2.0
Dependent Student Income	82.2	87.4	94.4	97.5	2.6
Dependent Student Assets	80.4	90.8	97.7	99.0	1.1

[1] Includes those with no discrepancy.

FIGURE 3-4

THE RANGE OF DISCREPANCIES ON MONETARY ITEMS
AMONG DEPENDENT STUDENTS

of the recipients meet this criterion. There is no allowed tolerance for dependent student income and assets, but the discrepancies of over $2 on these items are only slightly less frequent than those for the parental income items examined.

Figure 3-5 presents comparable data for independent students. For validation of independents, only a $100 income tolerance is allowed by the BEOG program, but as with dependents, the great majority of recipients fall within the income tolerance (e.g., 89.5 percent reported an AGI within the allowable range). Also similar to the pattern for the dependents is the higher incidence of discrepancies of over $2 for liquid assets and medical and dental expenses. Overall, independent recipients were slightly more likely than dependents to fall within the various dollar discrepancy ranges. As just mentioned, this greater accuracy is probably due to their generally lower assets and income.

Errors in Dependency Status

Special data collection and analysis efforts were devoted to verifying recipients' dependency status, since it is a critical element in the BEOG award process. In those cases where dependency status was determined to be incorrect, we reassigned students to the correct status and recomputed their SEIs and awards accordingly. While the sample SER data show 38.4 percent of Basic Grant recipients to be independent, our verification data in Figure 3-6 show the actual number to be only 32.8 percent. Stated another way, approximately 6 percent of those

	PERCENTAGE OF RECIPIENTS WITHIN VARIOUS DISCREPANCY RANGES				
ITEM	-$2 to 2[1]	-$100 to 100[1]	-$500 to 500[1]	-$1,000 to 1,000[1]	More Than a $1,000 Discrepancy
Adjusted Gross Income	84.3	89.5	92.9	95.6	4.4
Taxes Paid, 1979	87.9	92.3	98.9	99.8	.3
Social Security Income, 1979	95.7	97.0	98.5	98.9	1.4
Other Nontaxable Income	83.8	86.2	92.7	95.4	4.7
Cash/Savings/Checking	68.8	86.6	97.3	99.0	1.1
Medical/Dental Expenses	81.0	93.3	98.2	99.6	.5

[1] Includes those with no discrepancy.

FIGURE 3-5

THE RANGE OF DISCREPANCIES ON MONETARY ITEMS
AMONG INDEPENDENT STUDENTS

	TOTAL ACTUALLY INDEPENDENT	TOTAL ACTUALLY DEPENDENT	TOTAL
Independent Status Claimed	32.4%	6.0%	38.4%
Dependent Status Claimed	0.4%	61.2%	61.6%
Total	32.8%	67.2%	100.0%

FIGURE 3-6

ERRORS IN CLAIMED DEPENDENCY STATUS
(PERCENT OF ALL RECIPIENTS)

claiming to be independent were actually dependent. Conversely, SER data show only minimal incidence of true independents claiming to be dependents. Overall, dependency status error occurred in slightly over 6 percent of all recipients.

Strikingly, replacing incorrect dependency data with correct data and recalculating SEI led to a corresponding change from eligible to ineligible status in about one-fifth of these incorrect cases. In other words, stricter verification of dependency status would lead to ineligible status for approximately 1 percent of all recipients of Basic Grants. This locus of program error is discussed in detail in Volume 2, Corrective Actions.

Figure 3-7 reveals that the particular items which contribute most to error on dependency status are the two questions regarding financial support from parents.[1] Examination of separate analyses not presented here reveals that validation has little effect on these patterns.

Figure 3-8 shows the relative size and incidence of grant error for dependent and independent BEOG recipients in 1980-81. These data reinforce the findings from the earlier analysis (see Figures 3-4 and 3-5): student (SEI) error was more likely to occur among dependents (38 percent had SEI-caused overawards and

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[1] It is possible to have errors on some dependency items without having the wrong status overall, so the percentages in Figure 3-7 are larger than the 6 percent of recipients having categorically incorrect dependency status.

ITEM	PERCENT HAVING ERROR ON ITEM
Lived with Parents in 1979	2%
Lived with Parents in 1980	5%
Taken as Tax Exemption in 1979	3%
Taken as Tax Exemption in 1980	5%
$750 Support from Parents in 1979	15%
$750 Support from Parents in 1980	17%

FIGURE 3-7

PERCENTAGE OF RECIPIENTS HAVING ERROR ON DEPENDENCY STATUS ITEMS

	DEPENDENT RECIPIENTS (Sample N=2,804)	INDEPENDENT RECIPIENTS (Sample N=1,280)
Total Error		
Underawards		
Percent with Underawards	20%	24%
Mean Underaward	-$230	-$281
Overawards		
Percent with Overawards	55%	39%
Mean Overaward	$447	$451
Institution Error		
Underawards		
Percent with Underawards	13%	22%
Mean Underaward	-$221	-$261
Overawards		
Percent with Overawards	24%	31%
Mean Overaward	$446	$435
Student Error		
Underawards		
Percent with Underawards	11%	4%
Mean Underaward	-$214	-$319
Overawards		
Percent with Overawards	38%	10%
Mean Overaward	$391	$453
Summary Error Statistics		
Net Error in Dollars	$316 M	$ 86 M
Percent of Net Error	79%	21%
Percent of Recipient Population	67%	33%

FIGURE 3-8

RELATIVE SIZE AND INCIDENCE OF DISBURSEMENT ERROR AMONG INDEPENDENT AND DEPENDENT RECIPIENTS

11 percent had SEI-caused underawards) than independents (10 percent had SEI-caused overawards and 4 percent had SEI-caused underawards). Dependents were thus significantly more likely to receive overawards due to student error overall, whereas they were only slightly more likely to receive underawards due to student error. When institutional error data are included, the differences between the groups become smaller due to the overrepresentation of independents among those students whose institutions err in award disbursements.

The dollar data show that, overall, the fraction of net award error accounted for by dependent students (79 percent) was somewhat higher than their representation (67 percent) in the recipient population. The average size of individual overawards was about the same for independent and dependent students ($451 and $447 respectively), so the slight overrepresentation of dependents in total net dollar error (i.e., overawards) is due to two factors. First, as mentioned above, dependent students more often had an overaward (55 percent compared to 39 percent), and second, average underawards were larger in dollar terms for independent students.

The Relative Effects of Error on the Various Application Items

The relative importance of error in a particular application item on award error can be estimated by computing the impact of each item on the calculation of students' SEIs and, subsequently, their BEOG awards. Figure 3-9 reports this information. For this figure, SER data were used to compute a baseline figure,

APPLICATION ITEM	RESULTING AWARD ERROR (NET IN MILLIONS)[1]	RESULTING INCREASE IN AWARDS PER STUDENT (NET)[2]	RANK
Adjusted Gross Income[3]	$101	$43	1
Income, 1979 (Student + Spouse)	43	18	2
Home Equity	38	16	3
Household Size	33	14	4
Assets (Student + Spouse)	26	11	5
Nontaxable Income (Other Than Social Security)	22	9	7
Investment Equity	14	6	8
Number in Postsecondary Education	14	6	9
Cash/Savings/Checking	8	3	10
Business Equity	7	3	11
VA Educational Benefits, Monthly	2	1	11
Taxes Paid, 1979	0	0+	12
Marital Status, Student	0	0+	13
Social Security Income, 1979	0	0+	14
Medical/Dental Expenses	-1	0-	15
Earned Income (Head of Household)	-1	0-	16
Tuitions	-2	-1	17
Earned Income (Spouse)	-2	-1	18

[1] For policy purposes, the data from our sample are extrapolated to program-wide error levels. Note that there is substantial overlap of error amounts, so column total is larger than actual total student error. Data are rounded to the nearest million.

[2] Data are rounded to the nearest dollar.

[3] Includes estimates of error drawn from tax data for students found to have filed under the incorrect dependency status.

FIGURE 3-9

THE RELATIVE IMPACTS OF ERRORS IN BEOG APPLICATION ITEMS ON TOTAL GRANT DISBURSEMENT ERROR i.e., the total figure which would have been awarded to all the students in our sample if no institutional error were made. To compute the impact of error in each SEI element, we substituted in the focal item the verified values for the SER value for each case having a discrepancy in that item, then calculated the award based on that single correct item and the other uncorrected SER items. Again, institutional error does not affect the new award figure corrected for one item.

The effect of using correct information for an item is thus the difference between (1) the sum of awards calculated using the verified value for that item along with the uncorrected SER values for all other items and (2) the sum of awards calculated using uncorrected SER values for all items. While the frequency of there being more than one discrepancy per application implies that the per-item errors reported in Figure 3-9 cannot be totaled without double-counting, the figure does provide a useful framework for assessing the relative importance of individual SER items as sources of SEI and award error.

Figure 3-9 reveals that the three prime sources of award error in dollar terms are AGI, student and spouse income, and home equity. The AGI figure is by far the greatest contributor to award error, accounting for $101 million in net error and an average of $43 in overaward for each BEOG recipient. This implies that the implementation of procedures to verify AGI for all applicants could result in very large savings in disbursement error.

In fact, in a separate analysis of the data of Figure 3-9, we found that the four items on the IRS 1040 form (AGI, taxes paid, number of exemptions, and medical/dental expenses) together add $126 million to award error, after overlaps between the four are omitted. In response to these findings, Chapters 3 and 7 of Volume 2 (Corrective Actions) address various approaches for implementing verification procedures for IRS-related items.

THE DISTRIBUTION OF ERROR AMONG RECIPIENT GROUPS

When students misreport their application data, the distribution of Basic Grants is adversely affected. In addition, program management can be misdirected by poor summary data on recipients' background. The redistributive effects of applicant misreporting can be demonstrated by comparing for various groupings of applicants (1) the awards calculated for students based on data provided in their applications, (2) awards based on all verified application data, and (3) final awards.[1] This kind of analysis was conducted, focusing on income, household size, and tax filing status.

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[1] Throughout our analysis "verified" data are defined as the best evidence available for each SER element. In cases where no documentation was obtained, data supplied in BEOG applications are used in SEI calculations. Throughout the analysis, "application" or "SER" award data are defined not as actual final award data but rather as data for awards as they would have been if no institutional errors or application changes occurred. When students misreported dependency status, their reported data are from the application, their "verified" data are the true base income (e.g., parents' AGI), and the students are placed in the tables for their true dependency status.

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It is very important to note here that only applicants who had an AGI figure on the SER and the computed applicant record are represented in the figures and discussion in this section (Figures 3-10 through 3-17). A comprehensive analysis of the redistributive effects of applicant error would need to consider the incomes of those who left the income field blank, who became supplemental filers (and therefore had their income field blanked by the computer system at the central processor), and who cannot be matched by computer in a straightforward fashion at the central processor. Within the constraints of this study, we believe it is best to pursue a conservative analytic approach on this matter, avoiding the inferences, essentially guesswork, required to present redistribution data for the students without available AGI information on the system records. We can, however, use interview data to provide a general idea of the incomes of those not included in the analyses due to missing official AGI information: Over 90 percent fell into the lowest income category ($0 to 5,999 for dependents, $0 to 2,999 for independents).

Error among Different Income Groups

Each student was classified into one of five income groups based on application and verified data. The ranges of income used to classify independent students are somewhat smaller than the ranges for dependent students' families, due to independents' lower incomes.

Figures 3-10 and 3-11 show the distribution of final disbursed BEOG awards (calculated by FAOs on the basis of application data and including institutional errors) in the context of

	VERIFIED AGI				
APPLICATION AGI[2]	$0-5,999	$6,000-11,999	$12,000-17,999	$18,000-23,999	$24,000 +
$0-5,999					
Awards:	$211 M[1]	$36 M	$23 M	$23 M	$30 M
N:	200,000	33,000	20,000	22,000	28,000
$6,000-11,999					
Awards:	$15 M	$279 M	$16 M	$6 M	$.025 M
N:	13,000	271,000	16,000	6,000	100
$12,000-17,999					
Awards:	$.4 M	$7 M	$237 M	$6 M	$.3 M
N:	700	7,000	250,000	7,000	300
$18,000-23,999					
Awards:	$2 M	$.7 M	$3 M	$158 M	$10 M
N:	1,400	800	3,000	222,000	12,000
$24,000 +					
Awards:	0	$.7 M	$2 M	$1 M	$108 M
N:	0	400	1,400	2,000	208,000

[1] M denotes a million in this and subsequent tables in this chapter.

[2] Only applicants for whom AGI data are available are included.

FIGURE 3-10

DISBURSED AWARDS TO DEPENDENT STUDENTS
BY APPLICATION AGI AND VERIFIED AGI

		VERIFIED AGI				
APPLICATION AGI[1]		$0-2,999	$3,000-5,999	$6,000-8,999	$9,000-11,999	$12,000 +
$0-2,999	Awards:	$232 M	$12 M	$.3 M	$.8 M	$1 M
	N:	235,000	12,000	700	1,300	1,500
$3,000-5,999	Awards:	$3 M	$131 M	$3 M	$2 M	$1 M
	N:	7,000	149,000	3,000	2,000	700
$6,000-8,999	Awards:	$1 M	$2 M	$53 M	$.9 M	$.5 M
	N:	1,600	3,000	67,000	1,300	800
$9,000-11,999	Awards:	$.7 M	$2 M	$.8 M	$35 M	$1 M
	N:	800	1,600	1,300	48,000	2,000
$12,000 +	Awards:	$1 M	$1 M	$.07 M	$.7 M	$16 M
	N:	2,000	800	100	700	32,000

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[1] Only applicants for whom AGI data are available are included.

FIGURE 3-11

DISBURSED AWARDS TO INDEPENDENT STUDENTS
BY APPLICATION AGI AND VERIFIED AGI

verified data, for dependent and independent students, respectively. Each of these tables can be broken down into components. Accurate estimations are found on the diagonals (running from upper left to lower right) where students' applications and our verified information concur in classifying students into income categories.[1] Low estimations, which lead to overawards, are found in the upper right triangle (above the diagonal) where students' applications indicated smaller incomes than did our verified information. High estimations, which lead to underawards, are found in the lower left triangles (below the diagonal) where students' applications indicated larger incomes than did our verified information.

Beginning with the first row of Figure 3-10, we see that 200,000 dependent recipients had reported family AGIs of $0-5,999 and also verified AGIs of $0-5,999. These recipients received $211 million in awards. There were, however, a total of 103,000 dependent recipients who reported AGI figures of $0-5,999 but whose verified AGIs were at or over $6,000; 70,000 of these had verified AGIs at or over $12,000. Dependent student application data led to the distribution of $76 million in awards to students who claimed to have AGIs of under $6,000 but who had verified incomes of at least $12,000. On the other side of the diagonal, recipients in the lowest verified income category were the most likely to have overreported their AGIs. The proportion of recipients with verified AGIs in a lower category than reported AGIs is approximately 8 percent for those in the lowest verified AGI group, 3 percent for the verified $6,000-11,999 group, 2 percent for the verified $12,000-17,999 group, and only 1 percent for the $18,000-23,999 verified group. These results in sum imply that overawards are clustered in higher income groups and underawards in lower income groups, as should be expected.

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[1] The term "accurate" in these figures refers to both the application and verified AGI figures falling within a given income range category, not to the $2 tolerance range used in other analyses. In other words, these are more forgiving standards of accuracy.

Figure 3-11 repeats the same analysis for independent students. Those who reported AGIs of under $3,000 in 1979 received a total of $246 million; of this, $14 million went to underreporters, i.e., students with verified AGIs of $3,000 or more. A total of $2 million went to students with incomes of $6,000 or more. The income group most likely to underreport AGI figures among independents is the group with verified incomes of $12,000 or more. Approximately 14 percent of this group were underreporters.

Among independents, the proportion of students underreporting their AGIs to those overreporting was approximately 1.3 to 1, whereas it was 4.9 to 1 among dependent students. The proportion with basically accurate income reports (i.e., within the correct income band) was 87 percent among dependents and 92 percent among independents. Overall, therefore, the results of the two analyses are quite similar in general accuracy levels but quite different as to the directions of the inaccuracies. As implied by Figure 3-8, net overawards from student misreporting are a far greater problem among dependents than among independents.

Figure 3-12 presents the difference between awards calculated from verified application data and awards calculated from SER (corrected) data for dependent students. Unlike Figures 3-10 and 3-11, no institution error is included. Large discrepancies appear for those students whose reported (application) AGIs fall into the same category as their verified AGIs, reflecting the importance of within-group application error of various types in the calculation of incorrect SEIs. These results temper somewhat the comfort one might derive from the accuracy level of approximately 90 percent on income category reporting (see Figures 3-10 and 3-11).

Nevertheless, overawards to those underreporting by major amounts account for a significant proportion of total overawards. About $88 million would be distributed (if no institutional error occurred) to dependent students significantly underreporting AGI by at least one AGI interval. Figure 3-13 reveals a similar pattern for independent students: recipient error falls mainly within the reported AGI categories, but $12 million would be distributed on the basis of SER error alone to categorically higher income recipients. From a policy perspective, overawards due to major misstating of income by independents and dependents are both a significant and easily remedial source of BEOG program error. Appropriate corrective actions are presented in Volume 2, Chapters 3 and 7.

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	VERIFIED AGI				
APPLICATION AGI[1]	$0-5,999	$6,000-11,999	$12,000-17,999	$18,000-23,999	$24,000 +
$0-5,999					
Award Discrepancies	+$17 M	+$12 M	+$15 M	+$17 M	+$26 M
# of Recipients	200,000	33,000	20,000	22,000	28,000
$6,000-11,999					
Award Discrepancies	+$3 M	+$48 M	+$6 M	+$4 M	+$.025 M
# of Recipients	13,000	271,000	16,000	6,000	100
$12,000-17,999					
Award Discrepancies	-$.2 M	-$.1 M	+$46 M	+$2 M	+$.2 M
# of Recipients	700	7,000	250,000	7,000	300
$18,000-23,999					
Award Discrepancies	-$.7 M	-$.2 M	-$.3 M	+$38 M	+$6 M
# of Recipients	1,400	800	3,000	222,000	12,000
$24,000 +					
Award Discrepancies	0	+$.04 M	+$.2 M	+$.7 M	+$37 M
# of Recipients	0	400	1,400	2,000	208,000

[1] Only applicants for whom AGI data are available are included. A cell is read as follows, using the upper leftmost cell as an example: of the group of 200,000 students whose reported and verified application data placed them in the $0-5999 AGI category, a total of $17 million in overawards due to student error is estimated to have occurred in 1980-81.

FIGURE 3-12

DIFFERENCES BETWEEN AWARDS CALCULATED FROM APPLICATIONS AND TOTAL AWARDS FOR DEPENDENT STUDENTS, BY VERIFIED AGI AND APPLICATION AGI

APPLICATION AGI[1]		VERIFIED AGI $0-2,999	$3,000-5,999	$6,000-8,999	$9,000-11,999	$12,000 +
$0-2,999	Award Discrepancies	+$25 M	+$3 M	+$.3 M	+$.8 M	+$1 M
	# of Recipients	235,000	12,000	700	1,300	1,500
$3,000-5,999	Award Discrepancies	+$.07 M	+$21 M	+$2 M	+$2 M	+$1 M
	# of Recipients	7,000	149,000	3,000	2,000	700
$6,000-8,999	Award Discrepancies	-$.8 M	-$.2 M	+$5 M	+$.9 M	+$.08 M
	# of Recipients	1,600	3,000	67,000	1,300	800
$9,000-11,999	Award Discrepancies	+$.02 M	-$.2 M	+$.03 M	+$8 M	+$.9 M
	# of Recipients	800	1,600	1,300	48,000	2,000
12,000 +	Award Discrepancies	-$2 M	-$.4 M	+$.01 M	+$.04 M	+$2 M
	# of Recipients	2,000	800	100	700	32,000

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[1] Only applicants for whom AGI data are available are included. For interpretation of the table, see the footnote to Figure 3-12.

FIGURE 3-13

DIFFERENCES BETWEEN AWARDS CALCULATED FROM APPLICATIONS
AND TOTAL AWARDS FOR INDEPENDENT STUDENTS
BY VERIFIED AGI AND APPLICATION AGI

Errors Among Groups Differing in Income and Household Size

Family income and family size are the two most important criteria in determining the student's Basic Grant award size. We have therefore calculated for independent and dependent students the redistributive effects of application error for household size groups in each AGI category.

The next two figures compare awards based on fall SERs to awards based upon all available verified data.[1] Figure 3-14, for dependent students, shows that larger sums of BEOG grant disbursements would be awarded according to application data to students in the higher AGI/household size groups than verified information would suggest. For example, Figure 3-14A suggests that total awards disbursed to dependent students with verified households of 4 or more and verified family AGIs of $18,000 or more would be $287 million, if one accepted application information as correct and no institutional error occurred. But when awards calculated from verified SEI data (Figure 3-14B) are compared to awards based on application data (Figure 3-14A), we see that students in that group were actually entitled to only $189 million. We also see that there is a net outflow of students due to the uncovering of their ineligibility for awards. Among low-income families, however, there were only relatively small discrepancies between application-based and verified award

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[1] These are not actual disbursed award data, since institutional error and late SER changes are not included in these award calculations. In other words, these figures are based on analysis different from that of Figures 3-10 and 3-11.

PART A: AWARDS BASED ON APPLICATION INFORMATION FOR SEI[1]

VERIFIED HOUSEHOLD SIZE	VERIFIED AGI				
	$0-5,999	$6,000-11,999	$12,000-17,999	$18,000-23,999	$24,000 +
2 Members					
Awards:	$97 M	$54 M	$27 M	$9 M	$1 M
N:	96,000	52,000	27,000	12,000	2,000
3 Members					
Awards:	$87 M	$107 M	$69 M	$44 M	$20 M
N:	84,000	104,000	81,000	65,000	27,000
4 Members					
Awards:	$73 M	$73 M	$65 M	$53 M	$34 M
N:	65,000	73,000	68,000	77,000	65,000
5 Members					
Awards:	$58 M	$54 M	$58 M	$40 M	$43 M
N:	53,000	48,000	57,000	51,000	80,000
6 or More Members					
Awards:	$54 M	$66 M	$77 M	$60 M	$57 M
N:	54,000	63,000	75,000	71,000	88,000

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[1] Only applicants for whom AGI data are available are included. If no verified data were available for household size or AGI, the reported value was used. A cell is read as follows, using the upper leftmost cell as an example: Of the 96,000 applicants who had AGI of $0-5999 and household size of two and who received awards, a total of $97 million would be awarded on the basis of application data, without verification of SEI items.

FIGURE 3-14A

CALCULATED AWARDS FOR DEPENDENT STUDENTS
BY VERIFIED AGI AND HOUSEHOLD SIZE

PART B: AWARDS BASED ON VERIFIED SEI[1]

VERIFIED HOUSEHOLD SIZE	VERIFIED AGI				
	$0-5,999	$6,000-11,999	$12,000-17,999	$18,000-23,999	$24,000 +
2 Members					
Awards:	$81 M	$44 M	$21 M	$4 M	$.3 M
N:	80,000	46,000	24,000	7,000	700
3 Members					
Awards:	$76 M	$82 M	$44 M	$21 M	$1 M
N:	70,000	90,000	62,000	38,000	4,000
4 Members					
Awards:	$66 M	$58 M	$47 M	$36 M	$14 M
N:	56,000	56,000	50,000	53,000	34,000
5 Members					
Awards:	$56 M	$47 M	$48 M	$28 M	$26 M
N:	49,000	42,000	48,000	40,000	47,000
6 or More Members					
Awards:	$56 M	$60 M	$59 M	$47 M	$38 M
N:	50,000	56,000	59,000	58,000	63,000

[1] Only applicants for whom AGI data are available are included. If no verified data were available for household size or AGI, the reported value was used. A cell is read as follows, using the upper leftmost cell as an example: Of the applicants who had an AGI of $0-5999 and a household size of two, 80,000 should have received awards, and those awards should have totaled $81 million on the basis of verified data for all SEI items.

FIGURE 3-14B

CALCULATED AWARDS FOR DEPENDENT STUDENTS
BY VERIFIED AGI AND HOUSEHOLD SIZE

calculations. Data for independent students in Figures 3-15A and B show similar patterns. The notable exception is that independent students tend to belong to smaller households and have much lower incomes, so their calculated awards are heavily concentrated in the upper left portion of the figures.[1]

The next two figures summarize the differences between awards based on application data and awards based on verified data (i.e., they summarize the preceding two figures). Three major observations are derived from the data for dependent recipients (in Figure 3-16). First, we see again that, while practically all AGI/household size groups make errors which lead to the calculation of awards larger than those calculated from verified data, the preponderance of this type of error is greatest among the higher income family groups. Second, award error tends to be highest in the middle family size groups (three to four members). Third, among the poorest families (i.e., those with AGIs under $6,000 and household size of 6 or more), there are no net overawards (essentially a truism, since students who are actually very poor cannot make errors which would increase their awards), but there is a definite tendency to errors which result in their receiving net underawards. Among independents (see Figure 3-17), the results are far less clear-cut, due largely to independents' tendency to smaller families.

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[1] These data, like the data of Figures 3-10 through 3-13, include items for students who claimed to be independent but were reclassified on the basis of verified data as dependent.

PART A: AWARDS BASED ON APPLICATION INFORMATION FOR SEI[1]

	VERIFIED AGI				
VERIFIED HOUSEHOLD SIZE	$0-2,999	$3,000-5,999	$6,000-8,999	$9,000-11,999	$12,000 +
1 Member					
Awards:	$239 M	$96 M	$4 M	$3 M	$3 M
N:	240,000	108,000	8,000	4,000	2,000
2 Members					
Awards:	$61 M	$28 M	$14 M	$15 M	$6 M
N:	67,000	29,000	19,000	23,000	10,000
3 Members					
Awards:	$49 M	$15 M	$23 M	$13 M	$4 M
N:	53,000	17,000	27,000	17,000	7,000
4 Members					
Awards:	$21 M	$13 M	$11 M	$4 M	$5 M
N: :	25,000	13,000	14,000	5,000	11,000
5 or More Members					
Awards:	$17 M	$8 M	$6 M	$7 M	$7 M
N:	20,000	9,000	6,000	8,000	11,000

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[1] See footnote to Figure 3-14A for a guide to construction and interpretation of the table.

FIGURE 3-15A

CALCULATED AWARDS FOR INDEPENDENT STUDENTS
BY VERIFIED AGI AND HOUSEHOLD SIZE

PART B: AWARDS BASED ON VERIFIED SEI[1]

	VERIFIED AGI				
VERIFIED HOUSEHOLD SIZE	$0-2,999	$3,000-5,999	$6,000-8,999	$9,000-11,999	$12,000 +
1 Member					
Awards:	$216 M	$80 M	$1 M	0	0
N:	212,000	86,000	4,000	0	0
2 Members					
Awards:	$56 M	$24 M	$13 M	$12 M	$3 M
N:	59,000	24,000	15,000	20,000	8,000
3 Members					
Awards:	$42 M	$13 M	$20 M	$9 M	$2 M
N:	45,000	16,000	25,000	13,000	4,000
4 Members					
Awards:	$21 M	$8 M	$10 M	$4 M	$5 M
N:	24,000	9,000	11,000	4,000	9,000
5 or More Members					
Awards:	$17 M	$8 M	$7 M	$6 M	$5 M
N:	19,000	9,000	6,000	7,000	9,000

[1] See footnote to Figure 3-14B for a guide to construction and interpretation of the table.

FIGURE 3-15B

CALCULATED AWARDS FOR INDEPENDENT STUDENTS
BY VERIFIED AGI AND HOUSEHOLD SIZE

	VERIFIED AGI[2]				
VERIFIED HOUSEHOLD SIZE[1]	$0-5,999	$6,000-11,999	$12,000-17,999	$18,000-23,999	$24,000 +
2 Members					
Award Discrepancy	-$16 M	-$10 M	-$6 M	-$5 M	-$.7 M
Change in # Recipients	-16,000	-6,000	-3,000	-5,000	-1,000
3 Members					
Award Discrepancy	-$11 M	-$25 M	-$25 M	-$23 M	-$19 M
Change in # Recipients	-14,000	-14,000	-19,000	-27,000	-23,000
4 Members					
Award Discrepancy	-$7 M	-$15 M	-$18 M	-$17 M	-$20 M
Change in # Recipients	-9,000	-17,000	-18,000	-24,000	-31,000
5 Members					
Award Discrepancy	-$2 M	-$7 M	-$10 M	-$12 M	-$17 M
Change in # Recipients	-4,000	-6,000	-9,000	-11,000	-33,000
6 or More Members					
Award Discrepancy	+$2 M	-$6 M	-$18 M	-$13 M	-$19 M
Change in # Recipients	-4,000	-7,000	-16,000	-13,000	-25,000

[1] The data presented here are derived from previous figures. For example, the data in the upper left-hand cell are derived from the differences between the same cells in Figure 3-14A and Figure 3-14B, respectively. Data are rounded to the nearest thousand. A cell is read as follows, using the upper leftmost cell as an example: Efforts to verify all SEI information would lead to a loss of 16,000 recipients and a savings of $16 million among those whose AGI is under $6,000 and whose family size is two.

[2] Only applicants for whom AGI data are available are included.

FIGURE 3-16

DIFFERENCES BETWEEN AWARDS CALCULATED FROM APPLICATIONS AND AWARDS CALCULATED FROM VERIFIED DATA FOR DEPENDENT STUDENTS BY VERIFIED AGI AND HOUSEHOLD SIZE

VERIFIED HOUSEHOLD SIZE[1]	VERIFIED AGI[2]				
	$0-2,999	$3,000-5,999	$6,000-8,999	$9,000-11,999	$12,000 +
1 Member					
Award Discrepancy	-$23 M	-$16 M	-$3 M	-$3 M	-$3 M
Change in # Recipients	-28,000	-22,000	-4,000	-4,000	-2,000
2 Members					
Award Discrepancy	-$5 M	-$4 M	-$1 M	-$3 M	-$3 M
Change in # Recipients	-8,000	-5,000	-4,000	-3,000	-2,000
3 Members					
Award Discrepancy	-$7 M	-$2 M	-$3 M	-$4 M	-$2 M
Change in # Recipients	-8,000	-1,000	-2,000	-4,000	-3,000
4 Members					
Award Discrepancy	0	-$5 M	-$1 M	0	0
Change in # Recipients	-1,000	-4,000	-3,000	-1,000	-2,000
5 or more Members					
Award Discrepancy	0	0	+$1 M	-$1 M	-$2 M
Change in # Recipients	-1,000	0	0	-1,000	-2,000

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[1] See note 1 to Figure 3-16. This table is derived from Figure 3-15A and Figure 3-15B.

[2] Only applicants for whom AGI data are available are included.

FIGURE 3-17

DIFFERENCES BETWEEN AWARDS CALCULATED FROM APPLICATIONS AND AWARDS CALCULATED FROM VERIFIED DATA FOR INDEPENDENT STUDENTS BY VERIFIED AGI AND HOUSEHOLD SIZE

Errors Among Tax Filers and Nonfilers

Our next concerns were whether or not application error was especially high among families not filing tax returns or among families using forecast rather than completed tax return data. First, students were asked by our interviewers whether they had filed--or planned to file--an income tax return. Figure 3-18 compares all recipient families filing or planning to file tax forms with those families not filing tax forms. Filers were far more likely to make errors leading to overawards, and somewhat more likely to make errors leading to underawards. For both over and underaward error, there was a tendency for nonfilers to make the larger errors, however.

Students whose families filed tax forms contributed a disproportionate amount of net student error. The 81 percent of the sample filing tax returns produced 95 percent of the net award error attributable to students. Two caveats apply, however. First, it should be borne in mind that the errors of nonfilers are still errors, regardless of their small effect on net award error overall. Second, it may be easier to demonstrate inaccuracy in the applications of students who file.[1]

In summary, there is a mixed picture as to the relationship of tax filing to error. Filers make errors more frequently, but their errors are somewhat smaller than those of nonfilers. A hypothesis for future study is the following: nonfilers' simpler

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[1] The reason for this caution is that tax return data were used to provide documentation of error for key application items.

	FILERS[1]	NONFILERS[1]
Student Error		
Underawards		
Percent with Underawards	11%	4%
Mean Underaward	-$228	-$260
Overawards		
Percent with Overawards	35%	8%
Mean Overaward	$396	$451
Percent of Net Student Error	95%	5%
Percent of Recipient Population	81%	19%

[1] To be included in the "Filers" category, a student or parent had to have answered "yes" to our interview question on that topic (Sample N = 3128). To be included in the "Nonfilers" category, a "no" was required (Sample N = 645). The breakdown of filers and nonfilers by percent of total population (81 to 19) differs from the 85 to 15 breakdown presented elsewhere in Volumes 1 and 2 due to missing values on dollar awards in the latter group. For taxfiling status alone, the 85 to 15 breakdown is a more accurate reflection of all recipients.

FIGURE 3-18

DISBURSEMENT DISCREPANCIES BROKEN DOWN
BY TAX FILING STATUS

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financial situations rarely cause problems in filling out the application forms, but the fact that nonfilers are, in general, somewhat less educated than filers (inferred from relative family income levels) means that when there are application complexities facing nonfilers, their lower mathematics skills and hard-to-read instructions are likely to cause bigger errors.

To examine the hypothesis that some application errors are due to the different timing of the application and tax filing cycles, we looked at error patterns for those filers who actually used IRS data and those who estimated (forecast) it in advance (both groups fall into the tax filing category of Figure 3-18). Students whose families filed tax returns are asked on the BEOG application whether they used tax return figures from a completed return or estimated their tax return figures. About four-fifths of our tax filing sample used complete data, and their overall student error rate (72 percent made some kind of error) is lower than the error rate for students who estimated data to be filed later (82 percent). Figure 3-19 also shows that students who used a completed return were more accurate in reporting key items in the computation of the SEI. For example, 52 percent of the filers estimating AGI made errors, as opposed to 19 percent of those using completed returns. The hypothesis of scheduling as a cause of error among tax filers is thus upheld.

THE CAUSES OF RECIPIENT ERROR

The next major concern in the recipient error data was over the basic causes. So far, we have seen that AGI, nontaxable

APPLICATION ITEM	APPLICANTS WHO USED TAX DATA FROM COMPLETED RETURN - % HAVING DISCREPANT DATA	APPLICANTS WHO ESTIMATED TAX DATA - % HAVING DISCREPANT DATA
Adjusted Gross Income	19	52
Taxes Paid, 1979	20	43
Earned Income (Head of Household)	43	54
Earned Income (Spouse)	19	24
Medical/Dental Expenses	39	47
Overall Item Error Rate[1]	72	82

[1] Percent having any kind of item error on their forms.

FIGURE 3-19

DIFFERENCES IN SELECTED ITEM ERROR RATES BETWEEN TAX FILING APPLICANTS WHO USED COMPLETED TAX RETURN DATA AND TAX FILING APPLICANTS WHO USED ESTIMATED TAX DATA income, and student/spouse income are involved in the bulk of student error. We have also seen that, at least among dependents, a somewhat disproportionate part of the net overaward caused by students goes to tax-filing families with three to four family members and relatively high incomes. But misreporting by applicants is spread widely among all kinds of families for both independents and dependents, and it brought on over $200 million in net overawards in 1980-81.

Why should applicant misreporting be so widespread and so significant? One hypothesis is widespread fraud. Although we suspect that fraud is not the primary source of misreports, that issue is beyond the scope of this study. We *can* examine two other hypotheses in this data set, however, and we did so. We investigated the proposition that (1) much of the student and parent error can be attributed to basic problems for students and parents in understanding the questions and instructions on the application form and (2) much of the student and parent error can be attributed to insufficient availability of information for parents and students when they fill out their applications.

To evaluate the merit of the first hypothesis, we asked students and parents to describe the problems they had filling out their applications. We then compared the incidence of item error for those reporting and not reporting problems on an item. To evaluate the merit of the second hypothesis, we asked students and parents if they had gotten assistance in filling out their applications and then compared the error rates for those receiving and not receiving assistance.[1]

Reported Difficulties in Completing the Application Form

Interviews with students and parents included the following question:

> Please take a minute to scan this financial aid application form (the 1980-81 Basic Grant Application Form) and tell me about the items which gave you any trouble.

Each time the question was asked, the interviewer showed the student or parent a card listing types of potential problems and then recorded the problem type the respondent identified. In addition, the interviewer asked respondents to describe the problem in their own words. Advanced Technology coded these data into a set of response types.

Subsequent analysis reported in the next two figures indicates that, as expected, many of the items reported incorrectly on BEOG applications (see Figures 3-1 and 3-9 for examples) were in fact thought by applicant families to be hard to understand or hard to document. Figure 3-20 shows the rates of discrepancies found in application items and the corresponding rates at which students and parents reported difficulty with the items. The data indicate that discrepancy rates for all recipients from Figure 3-1 are markedly higher than the rates at which problems were cited by recipients. Only about 30 percent of the students

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[1] Earlier, we found that having completed tax form data as an information source in filling out the application did tend to lower error rates. This second analysis sought to discover whether outside help on forms completion could help even more.

	PERCENT OF ALL CASES WITH DISCREPANCIES	PERCENT OF PARENTS REPORTING DIFFICULTIES	PERCENT OF STUDENTS REPORTING DIFFICULTIES
Citizenship	1	0	0
Marital Status (Student)	2	0	0
Bachelor's Degree	0+	0	0
Live with Parents, 1979	2	3	5
Live with Parents, 1980	5		
Exemption, 1979	3	1	2
Exemption, 1980	5		
Support, 1979	15	6	7
Support, 1980	17		
Household Size	22	2	2
Number in Postsecondary Education	19	1	2
Marital Status (Household)	4	2	2
Filed IRS	3	1	3
Estimated Taxes	13	2	3
Number Exemptions	5	2	3
Adjusted Gross Income	19	2	6
Taxes Paid, 1979	19	3	4
Itemized Deductions	7	2	3
Social Security Income, 1979	9	4	3
Other Nontaxable Income, 1979	14		
Earned Income (Head of Household)	36	4	4
Earned Income (Spouse)	15		
Medical/Dental Expenses	32	4	4
Tuitions	5	3	2
Cash/Savings/Checking	40	5	2
Home Value	29	10	3
Home Debt	24		
Investment Value	3	2	1
Investment Debt	2		
Business/Farm Value	4	3	1
Business/Farm Debt	3		
VA Educational Benefits, Monthly	2	1	1
VA # Months	1		
Social Security Income, 1980	0+	2	1
Social Security # Months, 1980	0+		
Income, 1979 (Student+Spouse)	19[2]	5	6
Assets (Student+Spouse)	21[2]	2	1

[1] Data are rounded to nearest percent, so a zero may indicate a small proportion of applicants' families.

[2] Percent of dependent students.

FIGURE 3-20

REPORTED DIFFICULTIES ON VARIOUS ITEMS
ENCOUNTERED IN FILLING OUT THE APPLICATION FORM[1]

and 14 percent of the parents reported having at least 1 problem with the application form. Nevertheless, the items with higher discrepancy rates match those cited as problematic fairly closely.[1]

Figure 3-21 compares the items most often found discrepant and the items cited most frequently as difficult to understand or to answer by parents and students. Of the 12 items most often found discrepant, all but 3 were among the items most often mentioned by parents or students as difficult. Parents had particular problems with the home value/debt items, often telling interviewers that these items were very hard to document. Both students and parents mentioned that it was also very hard to answer questions about financial support for students. Students cited particular problems with obtaining parents' income and tax data for applications.

Several critical and frequently misreported items for SEI calculations (AGI,[2] earned income portions, student income, medical/dental expenses, and nontaxable income) were relatively

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[1] Separate figures for validated and nonvalidated cases are not reported because the rates were very similar.

[2] A particular problem in reporting both AGI and taxes paid exists for students receiving College Work Study earnings. The instructions on the 1980-81 form told students to subtract CWS earnings from their AGIs and taxes-paid figures. These students therefore could not simply copy IRS lines from their returns onto their forms. Further, verification of the accuracy of these items became extremely difficult for financial aid officers (or data analysts) because line 31 of the 1040 form and line 6 of the 1040A did not accurately reflect the AGIs of students with CWS earnings. Instructions referring applicants to these IRS lines may therefore be misleading and, in fact, may encourage students to report AGI figures which are higher than they should be. In short, the CWS instruction may cause underawards.

MOST DISCREPANT APPLICATION ITEMS	MOST PROBLEMATIC APPLICATION ITEMS	
RECIPIENTS	STUDENTS	PARENTS
1. Cash/savings/checking	1. Support from parents	1. Home value/debt
2. Earned income (head of household)	2. Adjusted gross income	2. Support from parents
3. Medical/dental expenses	3. Income, 1979 (student + spouse)	3. Cash/savings/checking
4. Home value	4. Live with parents	4. Income, 1979 (student + spouse)
5. Home debt	5. Taxes paid, 1979	5. Medical/dental expenses
6. Household size	6. Earned income (both portions)	6. Earned income (both portions)
7. Assets (student + spouse)	7. Medical/dental expenses	7. Other nontaxable income
8. Adjusted gross income	8. Itemized deductions	8. Taxes paid, 1979
9. Taxes paid, 1979	9. Estimated taxes	9. Tuitions
10. Income, 1979 (student + spouse)	10. Number of exemptions	10. Business/farm value/debt
11. Number in postsecondary education	11. Other nontaxable income	11. Live with parents
12. Support from parents, 1980	12. Home value/debt	12. Adjusted gross income

FIGURE 3-21

MOST DISCREPANT AND MOST PROBLEMATIC BEOG APPLICATION ITEMS difficult for students and parents to understand. These results suggest that clarification of those items, plus the three critical items that were often in error but rarely seen as difficult by parents (student assets, household size, and number in postsecondary education) might serve to lower applicant error in the program somewhat without imposing drastic documentation requirements.

Satisfaction with Sources of Application Assistance

Interviews with students included the following question:

> When the form was filled out, did you ask anyone for help who was not a member of your family?

About 36 percent said they had received outside assistance in completing the form. This indicates that a significant number of students had trouble interpreting the instructions and questions on the application form. Somewhat surprisingly, only 40 percent of the students who received application assistance stated they had problems filling out the forms. This figure suggests that the rate at which students and parents admitted to our interviewers that the questions were hard to understand is lower than the true level of difficulty. Alternatively, assistance seeking may have been perceived by many students as relating to a minor matter not worth classifying as a problem to interviewers.

In order to evaluate the quality of the assistance students received in filling out the forms, we first asked the students if they were satisfied with the help they received. Figure 3-22 indicates that only a minority of recipients were dissatisfied

SOURCE OF ASSISTANCE	% OF GRANT RECIPIENTS NOT SATISIFIED WITH ASSISTANCE THEY RECEIVED FROM THE SOURCE
High School Counselor	6.4
Faculty or Counselor at Current School	6.5
Financial Aid Officer	7.5
Friends	8.4
Toll Free Telephone No.	8.6
Department of Education	23.2
American College Testing Program	24.0

FIGURE 3-22

APPLICANT SATISFACTION WITH SOURCES OF ASSISTANCE FOR BEOG APPLICATION QUESTIONS with the assistance they received, although the rate of dissatisfaction varied somewhat by the source of help.

Students were least dissatisfied with the help received from high school counselors and faculty members at their current schools. They were most dissatisfied with assistance received by telephone from the Department of Education and the central processing center at the American College Testing [ACT] Program offices in Iowa City. One obvious reason for this spread may be poor service by ACT and ED. But another explanation might also be valid: high school personnel may need to know little about the complexities of the program, since the help they give comes early in the process and is fairly basic. Their help may therefore be much more straightforward and simple, while the central processor and ED must communicate the complexities of the process, a much more difficult task. In the end, satisfaction may parallel the simplicity of the message communicated.

We next compared the error rates of students receiving assistance in completing the form and students not receiving assistance. The data of Figure 3-23 show that, overall, students receiving assistance tended to make somewhat fewer application errors. These results are similar to those reported for the general public by the IRS regarding assisted and unassisted filers of IRS 1040 and 1040A income tax forms (see Chapter 2, Volume 2). BEOG applicants appear to make more errors than tax filers, however. Approximately 68 percent of those recipients

SELECTED APPLICATION ITEMS	APPLICANTS WHO RECEIVED ASSISTANCE IN COMPLETING THE APPLICATION: % WITH DISCREPANT DATA	APPLICANTS WHO DID NOT RECEIVE ASSISTANCE IN COMPLETING THE APPLICATION: % WITH DISCREPANT DATA
Adjusted Gross Income	20	21
Income, 1979 (Student + Spouse)	11	15
Household Size	26	22
Number in Postsecondary Education	19	20
Home Value	28	33
Cash/Savings/Checking	38	45
All Items Combined	68	81

FIGURE 3-23

DISCREPANCY ON SELECTED ITEMS
FOR RECIPIENTS RECEIVING AND NOT RECEIVING
HELP ON THE APPLICATION

getting help had BEOG application errors, while 81 percent of those not receiving application assistance had errors.

Still, the difference between the two groups is small, and the error rate among students getting outside assistance is high, indicating that the help students received in filling out their applications was (1) not comprehensive (i.e., students received help on one or two questions, not on the entire application), (2) accurate, but not followed, or (3) inaccurate. If the last is true, it may suggest that a significant number of professionals in the financial aid community (i.e., financial aid officers, high school counselors, ACT staff, and so on) also had difficulty understanding the questions and instructions on the application form.

The small differences between assisted and unassisted recipients overall is also apparent on the critical SEI items highlighted in Figure 3-23. Outside assistance was most beneficial in clarifying cash/savings/checking. Forty-five percent of those who did not seek outside help had this item in error, while the proportion in error was 38 percent for those seeking help. On the other hand, the error rate for household size was higher among those getting help than among those not getting help (26 percent and 22 percent, respectively). For the other items, outside help seemed to be a positive but minor factor in reducing error.

These inconclusive results for assisted students do not necessarily reflect badly on ED training programs. To make such

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conclusions would require pretesting of student error tendencies prior to assistance, since our findings may reflect a situation in which assistance actually closes a gap in error-proneness between students needing help and others. For now, however, the proper conclusion is simply that after receiving assistance, students still have a substantial amount of critical error.

CHAPTER 4

DATA ENTRY ERROR

This chapter examines the errors made by Multiple Data Entry [MDE] processors in transferring information from students' original application forms to data tapes. These data tapes are then forwarded to the BEOG central processor. The errors are significant because they become part of the central processor's computerized files for calculation of the applicant's SEI. The original 1980-81 application forms of 1,250 Basic Grant recipients in our sample were compared to the central processor files. All discrepancies between the two sources (i.e., all data entry errors) were noted. These discrepancy data are reported in summary form then broken down by the MDE processors which made the original errors and by the applicant correction patterns that eventually resulted from the errors.

The critical findings were:

- Data entry errors occurred on one out of every 37 application forms, which translates into approximately 60,000 recipients.
- Data entry errors occurred approximately four times more often on forms from the American College Testing [ACT] Program than on forms from the College Scholarship Service [CSS] and the Pennsylvania Higher Education Assistance Authority [PHEAA], respectively.
- Of applications containing a data entry error, 78 percent were never corrected by the affected students.
- Of applications containing a data entry error in critical income and asset fields, 68 percent were never corrected.
- Of applications containing a data entry error to the applicant's disadvantage in critical income and

asset fields, 60 percent were never corrected.

- None of the uncorrected errors had a major effect on the SEI of the affected applicant.

These results suggest the following conclusions:

- The rate and award significance of BEOG data entry error is rather low.

- There appears to be a deficiency in the performance of the marksense technology exclusively employed by ACT compared to the key entry technology employed by CSS and PHEAA, but this is only suggested by the data. Definitive conclusions on this issue will require further, more targeted, study of comparative error rates for the MDE processors.

- Students are generally rather inattentive and apathetic about data entry errors, even when the error affects SEI in a disadvantageous way.

BACKGROUND

As part of the study of the application processing activities for the Basic Grant Quality Control project, we made an analysis of the error rates associated with data entry. The applications of over one-quarter of the Basic Grant recipients for 1980-81 who were surveyed for the Quality Control study were selected as part of this error analysis. Our main research question was, "To what extent does what students write on their forms actually become what is entered into the BEOG application processing system?"

Details of the methodology and procedures are included in Volume 3 of this report. In brief, copies of 1,250 recipients' applications were obtained from the three Multiple Data Entry [MDE] processors: the College Scholarship Service [CSS], the Pennsylvania Higher Education Assistance Agency [PHEAA], and the American College Testing [ACT] Program. MDE processors are organizations authorized by the Federal Government to use their own aid forms as proxy Basic Grant application forms. The primary business of these processors is to provide forms to students for use at institutions in awarding aid other than Basic Grants, but in order to minimize the number of forms students must fill out, the Federal Government allows the organizations to send the appropriate data from their own forms to the Basic Grant central processor to determine BEOG eligibility. MDE sites forward these data by tape after the essential editing to assure the accuracy of the data entry. The quality of that editing is the subject of this report.

We sampled only MDE applications in order to maximize the use of time and resources.[1] A total of 500 CSS-originated applications, 500 ACT-originated applications, and 250 PHEAA-originated applications were visually compared with the data contained on the 1980-81 Central Processor's History/Correction File. The study was not designed to assess definitively the comparative error rates for MDE processors. Instead, the primary purpose was to examine processor data entry error as a whole.

As stated in an earlier report, "Quality Control in the Basic Grant Processing System," the definition of a processing error is not as straightforward as it might seem. On data entry from the application form, error can be defined at the level of a keystroke, a data item, or the form itself. For the purposes of this study, errors have been counted at the data element (item) level. This allows us to calculate error rates at both the item and form level. A broader issue in error definition is whether the error is in a critical or noncritical field. Critical fields can be defined as those fields essential to the correct and efficient processing of the application. An example of a critical field would be adjusted gross income, which is utilized to determine eligibility and award amount. Noncritical fields are those utilized for collateral or demographic purposes (e.g., age of the older parent). In some fields the critical and non-critical distinction is not clear-cut. An example would be the address field. While the address is not critical to the actual processing, an error could lead to the Student Eligibility Report's [SER] not being properly delivered to the applicant. In this analysis all errors were counted, but some distinctions are drawn in our discussions.

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[1] MDE processors accounted for approximately 85 percent of the Basic Grant initial applications for the 1980-81 processing year. The central processor accounted for the remaining 15 percent entering data from Basic Grant forms only. CSS accounted for 71 percent, ACT for 24 percent, and PHEAA for the remaining 5 percent of applications originating at MDE sites. Because the central processor contract changed hands after 1980-81, no attempt was made to assess the accuracy of data entry for the 1980-81 central processor.

OVERALL RATES OF DATA ENTRY ERROR

The results of the error analysis are summarized in Figure 4-1. A total of 45 errors were found. When one takes into account the fact that 45 fields must be completed per form, implying a total of 56,250 (45 times 1,250) possible errors that could have been found in our survey, it can be readily ascertained that the amount of processing data entry error is quite small. Yet even with as small a number of errors as found in this sample, there can be a wide range of "error rates," depending on how the rate is calculated. If the total sample error rate is calculated at the data element level (45 errors divided by 56,250 possible error fields) it is .0008. When weighted by the "real-world" breakdown between ACT, CSS, and PHEAA (see footnote at beginning of the chapter), the rate is .0006, less than one-tenth of 1 percent. However, if the weighted sample error rate is calculated at the application form level, it will rise to .027, or 2.7

MDE FORM USED	NAME	ADDRESS	INCOME	HOUSEHOLD	TOTAL	SAMPLE SIZE	ERROR RATE PER ITEM	ERROR RATE PER FORM[1]
CSS	5	1	1		7	500	.0003	.014
PHEAA			3	1	4	250	.0004	.016
ACT[2]								
Incomplete Erasure		5	1		6			
Applicant Miscoding	1	8	14	4	27	500	.0015	.068
Inexplicable			1		1			
TOTAL	6	14	20	5	45	1250	.0008	.036
					Weighted Rates[3]		.0006	.027

[1] There were no forms with duplicate errors.

[2] NOTE: CSS and PHEAA use conventional key-entry techniques, while ACT uses marksense scanning. The ACT technique requires a different breakdown of data entry errors. For details, see text.

[3] Weighted for actual distribution of MDE forms (71% CSS, 24% ACT, 5% PHEAA).

FIGURE 4-1

APPLICATION DATA ENTRY DISCREPANCIES

percent. These weighted results roughly translate to 1 data entry error for every 1,667 items and 1 data entry error for every 37 applications. Translating these rates into the larger population of over 2 million BEOG recipients whose applications originated at MDE sites, approximately 60,000 recipients were affected by some kind of data entry error in 1980-81.

Although these error rates are small enough overall to pose no threat to the general integrity of Basic Grant processing, and although the study was not designed to comprehensively compare error rates across processors, it is notable that there is a striking difference in error rates between the different data entry technologies. The per-item and per-form error rates for CSS and PHEAA, the two key entry sites, were very similar, but there was a large difference between these sites and ACT in error rates. ACT's error rates were over four times as high, a pattern which suggests, but by no means proves, that key entry techniques are superior to ACT's marksense scanning techniques for Basic Grant processing.

The in-depth analysis of the individual errors in the following section illustrates the types of errors that do occur. The CSS and PHEAA data entry involve conventional keying, while the ACT data entry is exclusively marksense scanning. As there are different error considerations for each technique, they will be discussed separately.

CONVENTIONAL KEYING

Name

The CSS applications contained five errors in the name field. All were miskeying of what was on the application. There were no PHEAA errors in the name field.

Address

Applications from CSS contained one error in the address field. This was a simple transposition of a street number. PHEAA applications contained no address field errors.

Income

CSS had one error in a student's taxable income. The applicant reported $2,000, and data entry recorded $4,000. The PHEAA applications had two applications with a total of three errors. One application listed expected gross income for parents as $26,000 and other real estate and investment assets as $2,400. Data entry recorded the figures of $2,600 and $2,500, respectively.

Household

One PHEAA application had an error in household data. An applicant reported the age of the oldest parent as 47, but this was keyed as 48.

MARKSENSE SCANNING

Its proponents claim that marksense technology is more accurate and cost-effective than conventional keying methods for most data entry tasks. By asking the applicant to write his or her information (as on a conventional key entry form) and then to fill in machine readable ovals corresponding to that information, the scanning technology not only eliminates the key entry operator but also allows a self-correcting double check for both the applicant and data entry editors.

It was therefore not surprising that the ACT sample we examined revealed only one case where information in a machine readable field on an application differed from that on the file for no explicable reason. However, two secondary problems were detected: incomplete erasure and applicant miscoding. Erasure problems occurred when applicants did not completely erase an oval and it was "read" during the scanning process, causing errors in the data. Applicant miscoding, which was the greater of the two problems, occurred when either the applicant filled in incorrect ovals (i.e., ovals differing from those implied by the written information) or the applicant failed to fill in any oval. It could be argued that this latter type of discrepancy is not an "error," since the written information was indeed reported, but the study classified it as error because opscan forms place the burden of verification on the student. Failures of students to verify the gridding of their written responses to ACT were treated the same as failures of CSS and PHEAA keypunch staff to verify the keypunching of written responses, since the end results of these two problems for overall Pell system error are exactly the same.

Name

One ACT application contained a name field error due to applicant miscoding.

Address

There were 13 address errors in the ACT applications. Five were caused by erasure problems, and the remaining eight were the result of applicant miscoding.

Income

A total of 15 ACT income fields had discrepancies. One was due to an incomplete erasure; 14 were the result of miscoding.

Household

Four ACT applications had errors as a result of miscoding in the household section.

CORRECTION ANALYSIS

Another aspect of data entry errors is corrections. Each error could presumably generate a correction on the part of the student which would result in increased processing cost. An analysis was made of the errors detected in the sample to determine when and if the error was ever corrected. The results of the analysis are summarized in Figure 4-2. It should be noted that 78 percent of the errors were never corrected. Of more significance is the fact that 68 percent of the income/asset information was never corrected. Interestingly, 60 percent of the items never corrected were to the disadvantage of the applicant. Figures 4-3 and 4-4 provide a detailed analysis of corrected and uncorrected income and asset information. As it will be noted,

	NAME	ADDRESS	INCOME/ASSETS	HOUSEHOLD	TOTAL
CSS					
Never Corrected	4	1			5
Corrected on Transaction:					
Two	1		1		2
Three					
Four					
PHEAA					
Never Corrected			2	1	3
Corrected on Transaction:					
Two					
Three					
Four			1		1

FIGURE 4-2

DATA ENTRY ERROR CORRECTION ANALYSIS

	NAME	ADDRESS	INCOME/ASSETS	HOUSEHOLD	TOTAL
ACT					
Never Corrected	1	11	11	4	27
Corrected on Transaction:					
Two		2	4		6
Three		2	4		6
Four					
	6	14	20	5	45

FIGURE 4-2 (Cont.)

MDE FORM USED	APPLICATION ITEM	APPLICATION VALUE	ENTERED VALUE	WAS KEYING OR SCANNING ERROR TO THE APPLICANT'S ADVANTAGE?	WOULD SEI BE AFFECTED BY >500?
PHEAA	Real Estate/Investment Debt	2,400	2,500	Yes	No
	Adjusted Gross Income	8,500	8,154	Yes	No
ACT	Adjusted Gross Income	23,250	23,255	No	No
	Income Earned--Student	6,647	8,120	No	No
	Income Earned--Mother	3,409	5,409	No	No
	Income Earned--Mother	9,560	9,569	No	No
	Dependent Student's Net Income	1,738	738	Yes	No
	Taxes Paid	403	406	Yes	No
	Cash/Savings/Checking	300	800	No	No
	Itemized Deductions	4,380	4,388	---[1]	---[1]
	Home Debt	9,081	9,080	No	No

[1] These items do not directly affect eligibility.

FIGURE 4-3

APPLICATIONS WITH INCOME/ASSET ENTRY ERRORS THAT WERE NEVER CORRECTED

MDE FORM USED	APPLICATION ITEM	APPLICATION VALUE	ENTERED VALUE	WAS KEYING OR SCANNING ERROR TO THE APPLICANT'S ADVANTAGE?	WOULD SEI BE AFFECTED BY >500?
	Expected Nontaxable Income	10,000	0	---[1]	---[1]
	Student's Expected Taxable Income--Summer 1980	500	600	---[1]	---[1]

---

[1] These items do not directly affect eligibility.

FIGURE 4-3 (Cont.)

MDE FORM USED	APPLICATION ITEM	ORIGINAL APPLICATION VALUE	ENTERED VALUE BY TRANSACTION NUMBER				WAS ITEM CORRECTED TO THE APPLICANT'S ADVANTAGE?
			1	2	3	4	
CSS	Student's Expected Taxable Income--School Year 1980-81	2,000	4,000	0			Yes
PHEAA	Expected 1980 Adjusted Gross Income	26,000	2,600	2,600	2,600	28,330	No
ACT	Earned Income--Father	5,400	5,300	5,700			No
	Earned Income--Mother	4,206	6,206	6,206	4,206		Yes
	Earned Income--Student	9,525.8	5,258	9,525			No
	Medical/Dental Expenses	175	1,175	175			No
	Nontaxable Income--Social Security Benefits	2,437.0	24,370	2,437			Yes

FIGURE 4-4

APPLICATIONS WITH ENTRY ERRORS THAT WERE CORRECTED none of the errors would have had a large impact on the SEI, which is utilized to determine the actual amount of the Basic Grant award.

CONCLUSIONS

The major conclusion of this analysis is that both the rate of error and the award significance of the uncorrected error in BEOG application data entry are low among Basic Grant recipients using MDE forms. On examining the MDE application forms of 1,250 Basic Grant recipients, we found no uncorrected errors of major award significance and only 45 errors overall. Compared to the large number of errors being uncovered in the applicant and institution components (over $400 million in net overaward error), the amount of error found here is low. OSFA can forego corrective actions regarding data entry without imperiling program integrity.

Three caveats apply, however. First, the error rates associated with ACT, which uses marksense technology for its data entry, were significantly higher than those for the other two MDE processors. Of the forms processed by ACT, 6.8 percent had some kind of error, compared to around 1.5 percent of forms processed at CSS and PHEAA. This difference suggests that OSFA should investigate further whether or not marksense is an appropriate technology for Basic Grant processing data entry. We want to stress here that although our results regarding error rate differences between sites are statistically significant at the

$p < .05$ level, they do not represent definitive evidence about either ACT or marksense technology. The study was not designed to compare error rates across processors in comprehensive fashion. Among the kinds of information needed for making definitive conclusions are the costs, timing, fields, students, and organizational characteristics associated with the various errors uncovered at the three MDE sites.

Second, the study of data entry was designed to apply only to Basic Grant recipients whose applications were originally received by MDE processors. Nevertheless, although only a more comprehensive study could provide definitive evidence, our experience and data lead us to hypothesize that data entry error patterns affect other Basic Grant applicants to about the same extent as they affected our sample.

Finally, to say that the level and significance of error in MDE data entry for Basic Grants are low is not to say that policymakers should do nothing. The decision as to whether or not to act depends upon OSFA's weighting of the costs and benefits attached to an action. A mature quality control and quality assurance program aims not only to make sure that established quality standards are met by all output but also to seek areas where breakthroughs in error control can be made that will allow management to obtain performance not just equal to the existing standards but far superior to them.

In the case of BEOG data entry, the issue is whether the delays, corrections, and inaccuracies from data entry can be cut to a level to justify the expense of breakthrough QC/QA activities. At each MDE site, the data entry errors we found were below the one-quarter of one percent per stroke or mark error rate accepted as the 1981-82 MDE contractual standard,[1] but any error in Basic Grant data entry is a cost. Whenever a data entry error is made and transmitted onto the student's SER, one of two undesirable outcomes will occur: either the student will correct it and submit the correction to the central processor, in which case there is a waste and rework cost to OSFA and the student, or the student will not correct it, in which case the information on the student's financial and personal record is inaccurate, another kind of cost to OSFA and, potentially, to the student. If there are corrective actions which can lower even the currently low data entry error rate at an acceptable cost-benefit ratio, these should be undertaken by OSFA. Changes to MDE contracts and increased OSFA monitoring of MDE sites could be well worth considering in that light.

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[1] There was no precise error standard on the 1980-81 MDE contract, under which the sample applications were drawn.

CHAPTER 5

INSTITUTIONAL ERROR

Institutions are responsible, once an applicant has received an SEI below 1,600, for certifying eligibility and calculating and disbursing BEOG awards. While BEOG applicants, themselves, cause the greatest amount of overaward error, findings from this study indicate that a substantial amount of institutional error exists in the BEOG program.

This chapter presents findings on the types and incidence of institutional error occurring in the BEOG program. Our determination of institutional error is based on analysis of data from 4,553 student file record abstracts and interviews with financial aid officers at 305 postsecondary institutions. The following are key findings:

- Total institutional error in 1980-81 was $363 million and involved an estimated 42 percent of all BEOG recipients. The total amount of institutional BEOG overawards equaled $272 million, and total underawards equaled $91 million. The total net overaward due to institutions was, therefore, $181 million. The average institutional overaward was $441, while the average underaward was $239.

- Findings show the absence of an affidavit of educational purpose [AEP] or financial aid transcript [FAT] from a student's file was the single largest contributor to institutional error.

- Total institutional error, when AEP/FAT error was excluded, totaled $211 million and involved 37 percent of all BEOG recipients. Of this, $111 million was overawarded, and $100 million was underawarded. Thus, net institutional error, excluding AEP/FAT error, equaled

$11 million. The average overaward ($236) and underaward ($243) were similarly balanced.

Looking at error by component and across types of institutions, findings show:

- Of all recipients in our sample, 9.1 percent were found ineligible because they did not meet one or more of the eligibility criteria set out in BEOG program regulations. Only 1.7 percent were found ineligible for program eligibility reasons other than AEP/FAT error.

- After AEP/FAT error, students not making satisfactory progress was the largest source of eligibility error.

- Institutional data indicate that a substantial number of BEOG recipients changed enrollment status or dropped out during the course of the year. Ten percent of students who were full time at the first disbursement had either dropped out or dropped below half time at the second disbursement term. This represents 8 percent of the total sample. Although these kinds of changes are not by themselves necessarily program errors, they do seem to be associated with errors by institutions and abuses by students.

- Average absolute institutional award error was less than $95 per recipient at over 50 percent of institutions in our sample, and was less than $50 per recipient at over 30 percent of institutions in our sample.

- There is little indication that award error is more frequent at private institutions than at public institutions, yet the average size of award error was larger at private institutions. Proportionate to their representation in the population, students at private institutions had more net award error (largely due to the higher average awards at those institutions).

TYPES OF ERROR

Total institutional error is comprised of six types or components of error:

- AEP/FAT Error
- BA and Citizenship Error
- Program Eligibility Error
- Cost of Attendance Error
- Enrollment Status Error
- Calculation Error

Definitions of these error types appeared in Chapter 1. The first three fall into a broad category which we call eligibility error, and the last three are part of a general category labeled disbursement error. Figure 5-1 illustrates the incidence of institutional error by each component type.

ELIGIBILITY ERROR

Eligibility error described in this section is error made by institutions in determining whether students meet the student eligibility criteria established in BEOG program regulations to qualify for a Basic Grant. There are several distinct regulations, in addition to the receipt of an SEI below 1,600, governing a student's eligibility for a BEOG award. As Figure 5-2 reveals, the incidence of eligibility error made by institutions in 1980-81 is very low. A total of 9.1 percent of all recipients in our sample were found to be categorically ineligible for one or more of the eligibility reasons listed in

	ESTIMATED RECIPIENTS WITH ERROR	PERCENT OF ALL RECIPIENTS	MEAN ABSOLUTE ERROR FOR RECIPIENTS WITH ERROR
Total Institution Error	991,000	42%	$366
Institution Error without AEP/FAT Error	873,000	37%	$241
Components[1]			
AEP/FAT Error	181,000	7.7%	$933
BA and Citizenship Error	4,000	.2%	$849
Program Eligibility Error	31,300	1.3%	$789
Cost of Attendance	354,000	15.0%	$177
Enrollment Status Error[2]	430,000	18.2%	$219
Calculation Error[2]	368,000	15.6%	$ 79

[1] Component figures are computed independently for each type of error. The sum therefore exceeds the total of all error, because error has been counted more than once in all cases where more than one type of error occurs.

[2] Estimated breakdown of institutional error components using spring 1981 data. Final component figures will be derived from institutional reconciliation rosters as part of Stage Two of this project.

FIGURE 5-1

SUMMARY OF INSTITUTIONAL ERROR INCIDENCE AND ABSOLUTE VALUE IN DOLLARS

ELIGIBILITY ERROR COMPONENTS	ERROR CASES	INCIDENCE OF ERROR N = 4530	
		WEIGHTED	UNWEIGHTED
No Affidavit of Educational Purpose	185	3.74%	4.08%
No Financial Aid Transcript	185	4.10%	4.08%
Holds Bachelor's Degree	6	.17%	.13%
Nonqualified Citizenship	2	.06%	.04%
Program Eligibility Error			
Course Less Than Six Months	1	.03%	.02%
Enrollment Status Less Than Half Time	5	.06%	.11%
Nondegree Student	2	.06%	.04%
Grant or Loan Default	4	.07%	.09%
Not Maintaining Satisfactory Progress	54	1.23%	1.19%
Total Categorically Ineligible Recipients		9.10%	9.30%

FIGURE 5-2

INCIDENCE OF INSTITUTIONAL ELIGIBILITY ERROR the following section. The highest incidence of eligibility error is due to either a missing AEP or FAT. The third highest rate of eligibility error is due to students not making satisfactory progress. Institutions appear to have minimal problems complying with the other six program regulations. Eligibility criteria are discussed in the following sections.

Affidavit of Educational Purpose [AEP] Error

Program Definition:	To be eligible for a Basic Grant, a student must file a notarized affidavit or signed statement stating that all funds received through Title IV programs will be used solely for educational or educationally related purposes and that the student is not in default.

In 185 student files (3.7 percent) from our sample, a notarized AEP or a signed statement (notarization became optional beginning in 1980-81) was missing. Several institutions reported they collect AEPs from the majority of students through some regular mechanism such as inclusion on institution aid applications or award notices. The institutions then collect the remaining AEPs for students receiving BEOGs or state grants only throughout the academic year. Since this is a technicality that may be corrected at any time without affecting the amount of a BEOG award, institutions apparently feel this error's significance does not warrant the delay of disbursements.

Financial Aid Transcript [FAT] Error

Program Definition:	Before a student may receive a Basic Grant, the institution must have received and evaluated a certified financial aid transcript from that student's prior educational institution or school.

Coincidentally, the same number (185) of FATs as AEPs were found missing from files. For the most part, they were different files from those missing AEPs. An FAT provides data on previous aid received by the student and whether or not the student is in default. Regulations state that a first disbursement may be made, but a second BEOG disbursement must be held back until the receipt of a transcript. Since we collected institutional data in the spring of 1981, the majority of second disbursements had been issued, making awards to students without FATs on file in error. This finding indicates institutions treat missing FATs similarly to missing AEPs, i.e., as technical errors that can be corrected after the fact.

Bachelor's Degree Error

Program Definition: To be eligible for a Basic Grant a student must not have received a previous bachelor's degree.

Six out of 4,530 sample cases (.17 percent) were found to have bachelor's degrees. In cases where documentation such as an academic transcript was not available, our data collectors relied upon student-supplied information to verify this item, which is in keeping with the procedure most institutions use to check bachelor's degree status.

Citizenship Error

Program Definition: To be eligible for a Basic Grant a student must be a U.S. citizen, a permanent resident, in the U.S. for other than a temporary purpose, or a permanent resident of the Trust Territory of the Pacific Islands or the Northern Mariana Islands.

Only two cases (.06 percent) in the sample did not meet eligible citizenship criteria for receiving a BEOG award. Both of these noneligible citizenship cases were discovered through documentation in the students' files; no interview data led to the detection of students' ineligibility by reason of citizenship.

Citizenship and bachelor's degree errors are caused either by student misrepresentations or institutional oversight. Since the number of bachelor's degree and citizenship errors found is so small and the responsibility for certifying these eligibility requirements falls into the institution's realm of responsibility, we consider both institutional errors.

Program Eligibility Error

Course Less Than Six Months

Program Definition: To be eligible for a Basic Grant a student must be enrolled in a program of study that is at least six months in length.

Only one case was found where an award was made to a student enrolled in an ineligible or less than six-month program. Through admissions or registration procedures most institutions can effectively identify students enrolled in noneligible programs prior to award.

Enrollment Status Less Than Half Time

Program Definition: To be eligible for a Basic Grant a student must be enrolled as at least a half-time undergraduate student at an institution of higher education.

Though it is not clear that institutions always adjust awards in conjunction with student enrollment changes between half-time, three-quarter time, and full-time status, there is little evidence that institutions make errors by disbursing BEOG funds to students who are not enrolled at least half time. Of more than 4,500 recipients in our sample only 5 students (.06 percent) ineligible for this reason received BEOG awards.

Nondegree Student

Program Definition: To be eligible for a Basic Grant a student must be enrolled in a program which leads to a bachelor's, associate, undergraduate professional, or certificate degree.

We discovered two cases where students enrolled in nondegree, noncertificate programs received Basic Grants. As with the six-month course length requirements, institutions appear fairly effective in blocking award disbursements to students in noneligible programs.

Grant or Loan Default

Program Definition: A student is not eligible to receive a Basic Grant if he or she is in default on any Title IV loan--NDSL, GSL/FISL--or owes a repayment on any Title IV grant--BEOG, SEOG, or SSIG--received while in attendance at that institution.

Four cases of students in our sample in loan default status (.07 percent) were detected. In one of these cases the institution did not recover the first disbursement but cancelled the second. As with verification of bachelor's degree status, often the only document available to verify loan default status, particularly for students with previous guaranteed student loans, is a certification statement supplied by the student.

Not Maintaining Satisfactory Progress

Program Definition: To be eligible for a Basic Grant a student must maintain satisfactory progress in his or her course of study.

After AEP/FAT error, students not maintaining satisfactory progress is the most serious source of eligibility error. Fifty-four cases with such error were discovered, although this incidence of error still only represents 1.2 percent of our sample. A wide range of institutional satisfactory progress policies with probation periods of various lengths, diverse appeal procedures, and room for special exceptions are in place in institutions. This makes the task of verifying compliance with this regulation difficult. This 1.2 percent incidence of error represents only cases where the same data sources that FAOs check for satisfactory progress indicated a student recipient was not in satisfactory progress, according to the institution's policy. For the most part, this error does not represent cases where students received awards and dropped out or withdrew from classes following the end of refund periods.

In summary, institutions appear to have little difficulty complying with eligibility regulations, with the exception of AEP/FAT requirements. Our findings on the AEP appear similar to those of the 1978-79 Quality Control study, where 7 percent of recipients did not have valid AEPs on file. However, these two sets of findings on the AEP are not exactly parallel. The data for this study were collected in the spring, whereas the data collection for the earlier study took place in the fall when institutions were still actively collecting AEPs. By the spring of 1979, the incidence of students missing a valid AEP had probably dropped below 7 percent.

Although we have not recommended a formal corrective action addressing this AEP/FAT problem, a reassessment of the significance of either of these documents to the administration and integrity of the Basic Grant program may be advisable. A goal should be set of either eliminating these forms or collecting them in a way that prevents their presence or absence in files from contributing to award error as it does now.

DISBURSEMENT ERROR

As with the first Quality Control study, we found institutional procedures surrounding calculation and disbursement of BEOG awards diverse and noted that final enrollment status and cost of attendance data used to calculate disbursements often go unrecorded. Since cost of attendance and enrollment status are the two factors that are combined with the SEI to determine scheduled award and expected disbursement amounts, we assume a certain amount of error in these two data items. The act of calculating the award--converting the SEI from an index to a dollar award figure using the BEOG Payment Schedule--most likely generated an additional amount of institutional BEOG error. In an effort to discover causes of disbursement error, we identified for further investigation three subcategories where such error could occur and affect the award amount: (1) cost of attendance error, (2) enrollment status error, and (3) calculation error.

Distributing this remaining error among causes would be fairly straightforward if one standard document were used across all campuses to keep a written record of significant points in a student's award determination. Since no such document exists, our analysis of cause for institutional disbursement error is based on data from the institutional SER kept in student files. The file SER in some cases is accurate; in other cases it is not because institutions often do not use it as a working document on which original status or changes in enrollment status and awards are recorded.

Hence, what we have measured as cause for institution disbursement error may be as much a measure of the inadequacy of institution record keeping and lax BEOG program procedures which do not require institutions to record the process used for determining BEOG awards as it is a measure of an actual payment error.

Cost of Attendance Error

Definition: Cost of attendance is one of three factors used to calculate a BEOG expected disbursement. Cost of attendance is the total of a student's actual tuition and fees, room and board expenses, plus a $400 allowance for books and supplies. Cost of attendance error occurs when the calculated cost of attendance figure used to calculate a student's award does not equal that student's actual cost of attendance. (For 1981-82 regulations allow the use of average cost of attendance figures.)

BEOG cost of attendance error, while less widespread than enrollment status error, still affects 15.0 percent of all recipients with an absolute mean error of $177 per recipient with error. Cost of attendance regulations for the Basic Grant program had been labeled "a large administrative burden" by institutions pursuant to the recent regulation change. This is supported by our findings, which indicate a significant incidence of this type of institutional error. Financial aid offices appear to have particular difficulty tracking adjustments to students' costs due to mid-year changes in room and board arrangements and status changes in state residency.

Enrollment Status Error

Definition: Enrollment status is the second of three factors used to calculate a BEOG expected disbursement. A separate BEOG payment schedule is used for students enrolled full time, three-quarter time, or half time. Enrollment status error occurs when the wrong status or the wrong payment schedule is used to calculate the expected disbursement.

Using the enrollment status error definition appearing in Chapter 1, our analysis shows that institutions made errors in determining correct enrollment status for 18.2 percent of the BEOG recipients in our sample with an absolute mean error (under and overaward combined) of $219 per recipient with error. A certain amount of this error reflects the fact that some institutions do not update the students' file SERs as enrollment status changes occur nor maintain records which describe when and why award adjustments were made. Thus, while a student may have received the correct award, it is not reflected in the financial aid office records. Nevertheless, the magnitude of this error indicates that some financial aid offices are not adequately

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calculating or adjusting BEOG awards based on the correct enrollment status factor.

We cannot say definitely why enrollment status error occurs. We are also not certain it will remain at this level once reconciliation takes place. However, lax institutional procedures, untimely reconciliation, and inadequate record-keeping practices surrounding the administration of Basic Grants may be causes for this type of error. In many cases institutions lack uniform and consistent procedures for monitoring a student's ongoing eligibility for a grant, such as a system to check enrollment status of all recipients, and make simultaneous adjustments to BEOG awards by a specific date each term.

Calculation Error

Definition: Calculation error is error made by institutions in converting the SEI from an index number to a dollar award figure using the BEOG Payment Schedule. Accurate calculation requires use of the proper payment schedule page based on a student's enrollment status (full time, three-quarter time, or half time) and taking the award amount from the correct cell on the payment schedule.

BEOG calculation error occurred in 15.6 percent of the cases with a mean absolute error of $79, and a net error of $3. The overwhelming majority of cases, over 90 percent, show error within $50 of the correct award. This suggests that one cause of calculation error is an incorrect reading of the BEOG award from the payment schedule. In most cases, missing the correct award cell by one or two cells would cause an error of $50 or less. Some calculation error may also be caused by the more difficult computation clock-hour schools must use to determine awards. The computation becomes even more complex when a student recipient enrolls in a program which crosses over two academic years.

It is probable that a certain amount of calculation error was caused by the late $50 across-the-board cut in 1980-81 awards. As a result of the cut, it was necessary to issue a second payment schedule, which may have caused some confusion in award calculations. In addition, this $50 cut altered the use of the payment schedule from previous years, making an award for a student who attended full time one semester and then dropped out different by $25 from an award for a student attending half time for a full year. When all cases where calculation error of $26 or less are eliminated, the average net error is $24 per recipient with error.

STUDENT CHANGES IN ENROLLMENT STATUS

This next section discusses findings from our data collection on the frequency with which students in our sample made changes in enrollment status between semesters or academic terms. These findings have no direct relationship with the statistics on institutional enrollment status error previously discussed.

Students in postsecondary education frequently change their enrollment status from one term to the next for a variety of reasons; therefore, it is not surprising that data from this study reflect such changes. While our data limit us from measuring the relationship between the frequency of enrollment status changes and the propensity of institutions to make mistakes because of enrollment status changes, we feel it is important to discuss this topic for two reasons:

- The substantial rate at which Basic Grant recipients make enrollment status changes may be a natural cause of BEOG error. This has implications for policymakers with regard to the procedures institutions use to check enrollment status and adjust BEOG awards.
- While we have no clear evidence, inferential analysis together with data from institutional interviews gives some indication that a significant minority of students may be enrolling in school for the purpose of receiving a Basic Grant alone and not necessarily for academic reasons.

Findings on student enrollment status changes between academic terms show that a considerable number of students change enrollment status and in many cases reduce course loads or drop out of school both before and after receipt of a Basic Grant. Over 15 percent of the students enrolled full time when they got their first disbursements (84 percent of the total sample) were either no longer enrolled or had dropped below full-time status at the time of their second-term disbursements. Ten percent of those who were full time for the first disbursement had either dropped out or dropped below half time by the next disbursement term. Thirty-one percent of students who were half or three-quarter time at the first disbursement (8 percent of the total sample) had changed to full time at the second disbursement.

Again, because institutions do not routinely record enrollment changes and their dates of occurrence along with resulting adjustments to BEOG awards, we cannot assess the impact of these changes on BEOG error as accurately as we would like. In addition, policies setting out when students are liable for part or all of tuition or other charges if they withdraw from school are highly diverse among institutions. Nevertheless, it appears that the sheer volume of enrollment changes and necessary adjustments to awards is a likely cause of institutional BEOG error.

Besides being a probable source of disbursement error, this movement between full, three-quarter, or half time and less than BEOG-eligible enrollment status may have wider impact on unintended behavior effects in the BEOG program. BEOG payments to students and refunds from students who reduce course loads or withdraw are calculated according to individual institutions' interpretations of BEOG regulations and institutional policy. In spite of the numerous enrollment status changes, our Student Record Abstract [SRA] findings show that only 6 percent of the total sample had a BEOG overpayment (for this study, we defined "overpayment" as any time a student's account showed a debit to a BEOG payment), with an average overpayment of $195. When these shifts in enrollment status between terms are balanced against our data on BEOG overpayments, there is a suggestion that a relatively large number of cases exist where BEOG students drop out or greatly reduce course loads between terms.

These shifts in status by a BEOG recipient can mean one of two things: (1) the student finished out the term at the original enrollment status on which the BEOG was calculated and then enrolled at a different status or did not enroll at all for the next term; (2) the student dropped out or greatly reduced his or her course load after the end of tuition refund periods which require student repayment of grants received. Neither of these cases violates current BEOG regulations, and in many instances the changes are probably made for sound academic or personal reasons. However, combining our data on course load changes with anecdotal evidence from institutional interviews (such evidence is discussed in Chapter 4 of the Corrective Actions Volume) leads us to suspect a pattern of abuse in the BEOG program. A significant number of students may be enrolling in school specifically to receive Basic Grants then dropping out after the end of the refund periods, without violating BEOG regulations.

A related issue is the Federal concern, specifically discussed in a recent GAO report, over satisfactory progress regulations governing current Federal student financial aid recipients. Current Federal regulations state that a policy must exist but essentially allow institutions to define such satisfactory progress policies according to individually set standards. Our findings indicate a wide diversity in satisfactory progress policies and inconsistency among institutions in the application of policies to student financial aid recipients on a seemingly arbitrary basis (e.g., separate policies are sometimes applied to students from disadvantaged backgrounds, and probation periods were extended in individual cases). In many cases, institutional satisfactory progress policies do not take into account W grades received for withdrawals from courses and are silent on any requirement that students must make normal progress toward an educational degree or certificate.

Thus, the fact that students can drop out without penalty to current or future BEOG awards and, in many cases, without violating satisfactory progress policies leaves open an opportunity for serious abuse in this area.

INSTITUTION AWARD ERROR RANGES

Figure 5-3 shows the range of absolute institutional award error for institutions in our sample. The average size of institutional error ranges from $0 to $999 per recipient. As the chart indicates, 13 percent of our sample institutions made no errors in disbursing Basic Grants during 1980-81. Over 30 percent had less than a $50 average award error per recipient.

Figure 5-4 shows the same range of mean absolute institutional error, omitting AEP/FAT error. In this analysis, 16 percent of the institutions committed no errors, and 45 percent had average institutional error of less than $50. In both approaches to defining institutional error, more than half of the institutions had an average award error of less than $95 per recipient.

The preponderance of large institutional award discrepancies are caused by eligibility errors; hence, the 5 percent of institutions falling into the highest range in Figure 5-3 reflect a certain amount of eligibility error. As Figure 5-4 shows, fewer institutions have an average error of $200 or more when AEP and FAT errors are not counted, because both are eligibility errors.

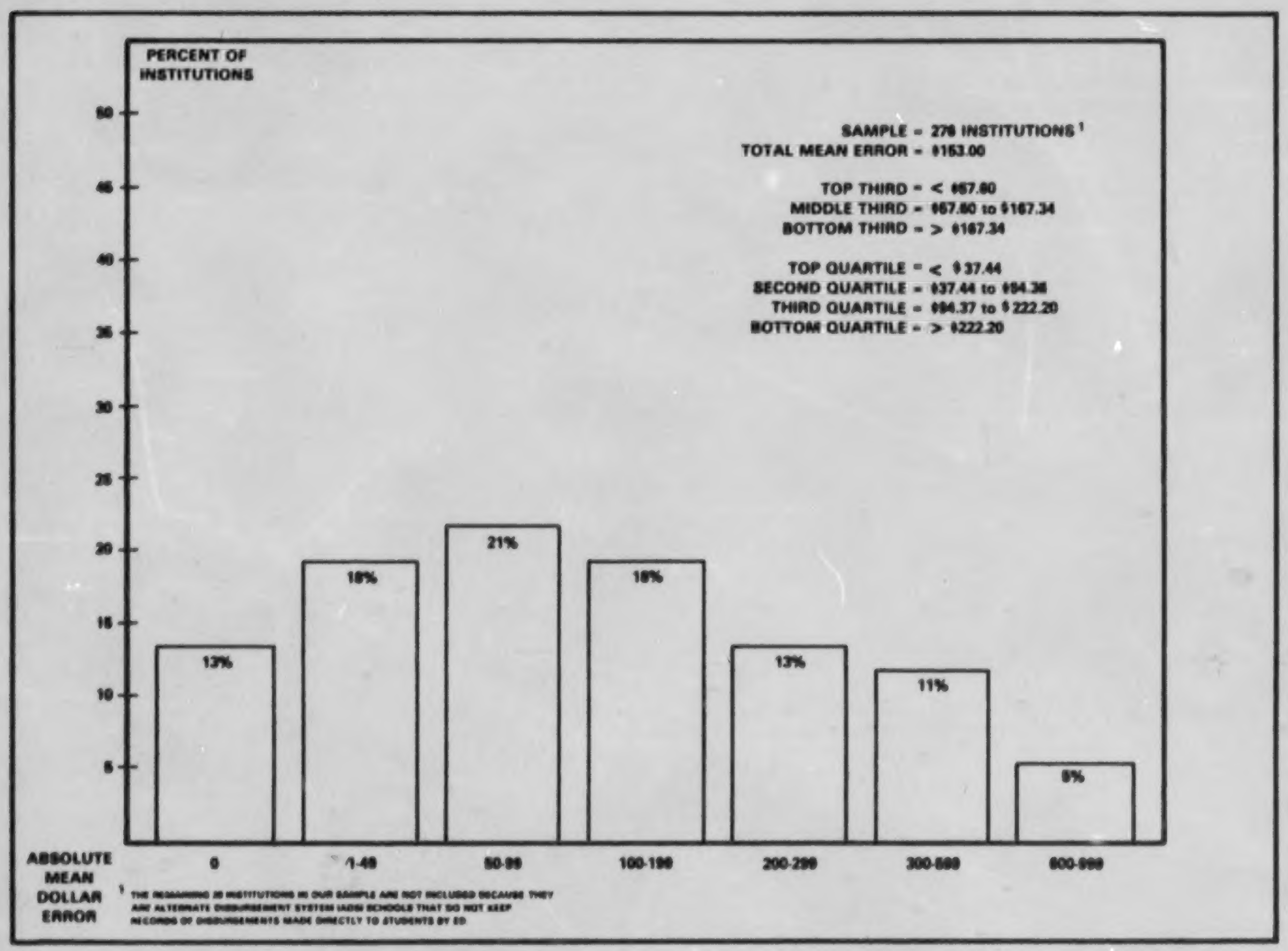
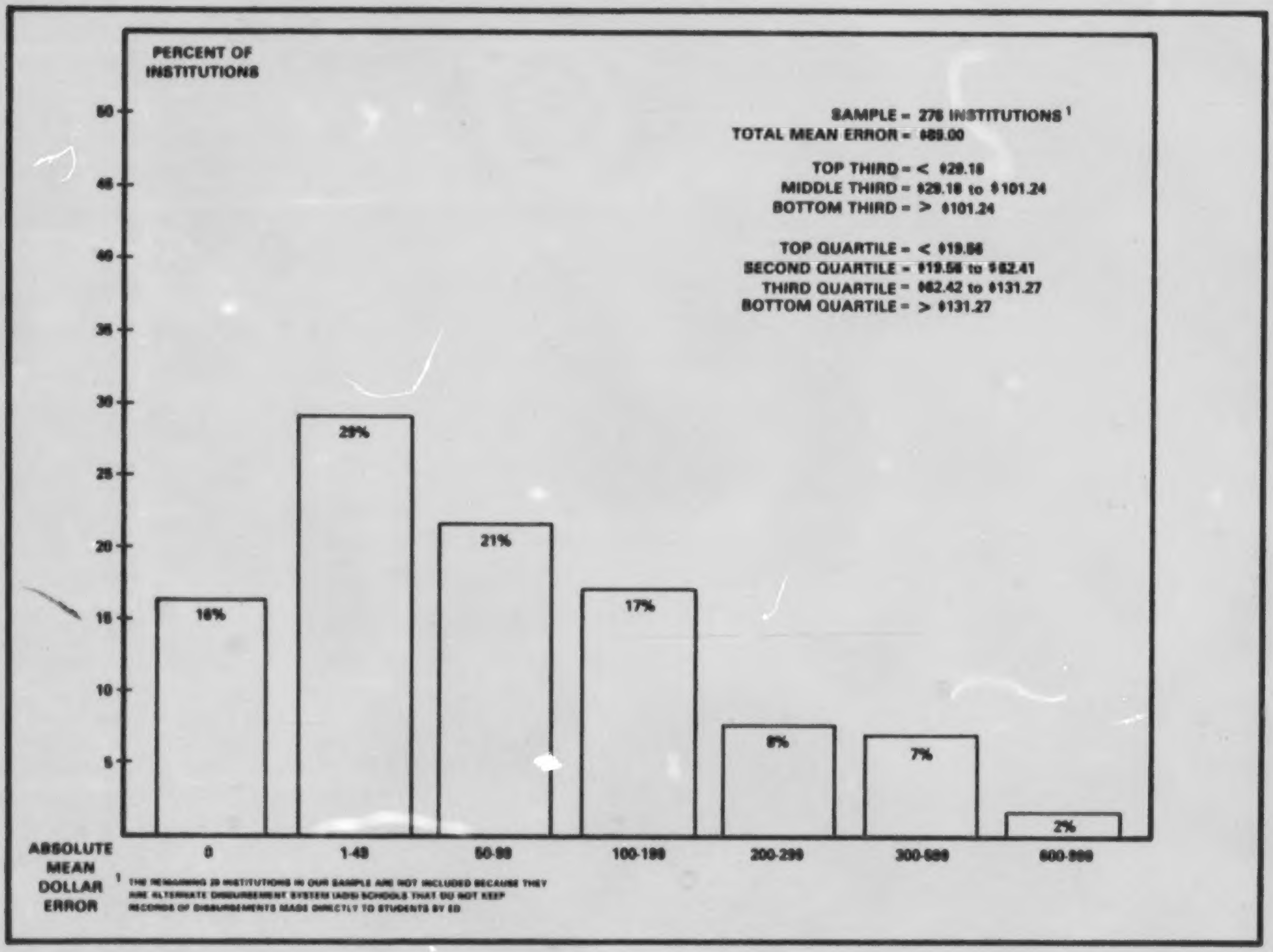


FIGURE 5-3

RANGE OF AVERAGE PER RECIPIENT
AWARD ERRORS MADE BY INSTITUTIONS



[1] THE REMAINING 29 INSTITUTIONS IN OUR SAMPLE ARE NOT INCLUDED BECAUSE THEY ARE ALTERNATE DISBURSEMENT SYSTEM (ADS) SCHOOLS THAT DO NOT KEEP RECORDS OF DISBURSEMENTS MADE DIRECTLY TO STUDENTS BY ED

FIGURE 5-4

RANGE OF AVERAGE PER RECIPIENT AWARD ERRORS
MADE BY INSTITUTIONS NOT INCLUDING AEP/FAT ERROR

Nevertheless, these outlier institutions do have a sufficient number of cases to be valid and therefore indicate that a wide range of error is occurring at institutions.

Overall, these charts suggest that some schools do a far better job of administering Basic Grants than others. The range and variation in error among institutions suggest that this type of analysis is useful for determining a standard for measuring the performance of schools. For example, since 50 percent of our sample institutions show an average error of less than $100, such a figure might be designated as an indicator of standard performance.

It is important to note in this discussion that the institutional error mode in our analysis is $50 for overawards and -$26 for underawards. Two factors contribute to this: BEOG awards, calculated using the SEI and cost of attendance, increase by increments of $50 for full-time students. Thus, missing the correct cell on the payment schedule by 1 when calculating a BEOG award could very likely cause a $50 award error. The other contributing factor is unique to the 1980-81 year. Very late in the processing year BEOG awards were cut across the board by $50. This happened after most students had been notified of the amounts of their BEOG awards. Some confusion then occurred between institutions, the processor, and ED as to when the processor began using the revised payment schedule to automatically calculate awards. We suspect some institutions, using the maximum award listed on the SER as a guide, reduced awards which had already been reduced by the processor or vice versa. It is probable that institutions failed to catch all the changes. Again, we attribute a certain amount of underaward error to this one-time circumstance.

INSTITUTION CHARACTERISTICS

This section presents findings on the distribution of student and institutional error among types of institutions and the impact of certain institutional procedures and characteristics on the incidence and magnitude of error. Of the 305 institutions in our sample, 153 are public, 95 are private and nonprofit, and 57 are proprietary institutions. The distribution of types of institutions as opposed to control is as follows: 49 are less than 2-year institutions, 105 are 2-year institutions, and 151 are 4-year or more than 4-year institutions. Findings discussed in this section are the result of simple bivariate data analyses. A later chapter of this report discusses the results of our regression analyses to determine error-prone populations and institution types. Since regression analysis isolates and analyzes selected characteristics while holding all else constant, some differences in findings occur.

Public, Private, and Proprietary Institutions

Figure 5-5 reports the differences in the incidence and size of total institution and student award discrepancies at public, private, and proprietary institutions. Our findings indicate that private and proprietary institutions, on average, make

	PUBLIC (Sample N = 2,949)	PRIVATE (Sample N = 828)	PROPRIETARY (Sample N = 307)
Total Disbursement Discrepancies			
All Underawards			
Percent with Discrepancies	22%	16%	27%
Mean Discrepancies	-$224	-$227	-$461
All Overawards			
Percent with Discrepancies	48%	56%	53%
Mean Discrepancies	$403	$517	$653
Institution Error			
Underawards			
Percent with Discrepancies	18%	4%	29%
Mean Discrepancies	-$201	-$271	-$443
Overawards			
Percent with Discrepancies	28%	17%	32%
Mean Discrepancies	$364	$772	$646
Student Error			
Underawards			
Percent with Discrepancies	7%	14%	11%
Mean Discrepancies	-$240	-$219	-$208
Overawards			
Percent with Discrepancies	25%	42%	32%
Mean Discrepancies	$384	$391	$520
Sum of Total Award			
Discrepancies in Dollars	$248 M	$112 M	$ 42 M
Percent of Net Error	62%	28%	10%
Percent of Recipient Population	73%	19%	8%

FIGURE 5-5

DISBURSEMENT DISCREPANCIES AT
PUBLIC, PRIVATE, AND PROPRIETARY INSTITUTIONS

larger overaward and underaward errors than do public institutions, and, proportionate to their representation in the population, they contribute to more net award error. The actual frequency, as opposed to the magnitude, of institutional error at private institutions (21 percent), however, is quite low in comparison to error at public and (46 percent) proprietary institutions (61 percent). The incidence of student error is greater at private and proprietary institutions, while the size of student over- and underawards is generally similar across institution types. These findings suggest that private institutions, where there are fewer BEOG recipients than at public institutions, are better able to administer the grant program. The larger average award error at private institutions is due to an overall larger average award size at such institutions.

Less Than Two-Year, Two-Year, and Four-Year Institutions

Figure 5-6 shows the distribution of total student and institutional error among types of institutions--less than two-year, two-year, and four-year. Our analysis indicates that less than two-year institutions, which are largely proprietary schools, make the largest average institutional over and underawards and have a higher incidence of overawards than do two-year and four-year institutions. Some of this error is due to the complexities of calculating expected disbursements for students at clock-hour institutions. The variety of programs with differing lengths and total clock hours offered by one institution, mingled with students crossing over two academic years

	< 2-YEAR (Sample N=220)	2-YEAR (Sample N=1,270)	4-YEAR (Sample N=2,594)
Total Disbursement Discrepancies			
All Underawards			
Percent with Discrepancies	31%	29%	16%
Mean Discrepancies	-$482	-$211	-$243
All Overawards			
Percent with Discrepancies	53%	45%	52%
Mean Discrepancies	$596	$378	$465
Institution Error			
Underawards			
Percent with Discrepancies	31%	28%	9%
Mean Discrepancies	-$484	-$196	-$230
Overawards			
Percent with Discrepancies	34%	31%	23%
Mean Discrepancies	$578	$336	$491
Student Error			
Underawards			
Percent with Discrepancies	13%	5%	10%
Mean Discrepancies	-$211	-$233	-$232
Overawards			
Percent with Discrepancies	31%	20%	33%
Mean Discrepancies	$479	$378	$397
Sum of Total Award			
Discrepancies in Dollars	$ 22 M	$ 80 M	$298 M
Percent of Net Error	5%	20%	75%
Percent of Recipient Population	6%	31%	63%

FIGURE 5-6

DISBURSEMENT DISCREPANCIES AT LESS THAN 2-YEAR, 2-YEAR, AND 4-YEAR INSTITUTIONS while completing one program, limits our efforts to accurately measure error at proprietary institutions, except on a case-by-case basis. Nevertheless, the magnitude of institutional error at less than two-year institutions points to other problems which may relate to the timing of disbursements and award adjustments (BEOG repayments). Some timing problems, for example, are explained by the fact that students attending proprietaries which are Alternate Disbursement System [ADS] institutions often receive late disbursements.

The fact that four-year institutions exhibit the lowest incidence of institutional over and underaward (23 percent and 9 percent, respectively) may be due to their better management of the BEOG program, or it may be that Basic Grants are easier to administer at four-year schools because of more uniform academic calendars. We hypothesize that the reason overawards at proprietary and four-year institutions are greater is mainly because their costs of attendance and average BEOG awards are higher, and hence categorical eligibility errors are more likely to be larger overaward errors. This can be seen in Figure 5-7, which displays net and absolute error means for error components by types of institution. Figures for AEP/FAT error (the most prevalent eligibility error) across the five institution types show that the four-year and six-month program institutions on this chart have the largest positive award errors. Underaward error, on the other hand, is always disbursement error, hence, smaller in magnitude than eligibility error.

	NET ERROR MEANS BY INSTITUTION TYPE				
ERROR COMPONENT	UNIVERSITY	4-YEAR	2-YEAR	< 2-YEAR	6-MONTH PROGRAMS
SEI	$108	$ 115	$ 60	$ 86	$ 115
Program Eligibility	722	1,056	907	902	932
BA Degree/Citizenship	786	1,363	264	0	0
AEP/FAT	884	1,053	918	863	1,110
Cost of Attendance	3	-62	-5	205	-55

	ABSOLUTE ERROR MEANS BY INSTITUTION TYPE				
ERROR COMPONENT	UNIVERSITY	4-YEAR	2-YEAR	< 2-YEAR	6-MONTH PROGRAMS
SEI	$155	$ 183	$ 86	$111	$ 180
Program Eligibility	722	1,056	907	902	932
BA Degree/Citizenship	786	1,363	264	0	0
AEP/FAT	884	1,053	920	863	1,110
Cost of Attendance	200	151	147	314	113

FIGURE 5-7

COMPONENT ERROR MEANS BY INSTITUTION TYPE

Underaward error at institutions, when AEP/FAT error is excluded, is almost as high as overaward error. This is due, in part, to institutions that had not made or scheduled their final disbursements at the time of our data collection. Nonetheless, the magnitude of underaward error gives some indication that a significant number of schools are either not recording award disbursements on a timely basis or are holding up disbursements for reasons of their own. One example, reported by an FAO, was that of a student on probation status whose grant was being held back until he passed at least the first half of his semester courses. As stated before, we expect a decrease in both under and overaward error at institutions once analysis of data from 1980-81 Student Validation Rosters is completed during Stage Two.

The incidence of student error is higher at four-year schools than at two-year schools. This may be due to the fact that a larger proportion of students from higher-income families attend four-year institutions; such students are more error prone. The average AGI for the families of students or independent students in our sample attending 4-year schools is $11,832, compared to $7,737 for students at 2-year institutions. The discrepancies in student overaward error, particularly the difference in percent of error between less than two-year and two-year institutions, are not as easily understood. Differences in income do not explain this latter discrepancy, since figures on average AGI and student income are very similar between these two groups. This indicates that some other factor, related to students who attend proprietary schools, is causing their higher student award error.

Type of Disbursement System

Unfortunately, only a small number of students sampled attended institutions administering Basic Grants under the ADS: a total of 1.3 percent of recipients from our sample. For this small sample we were unable to detect any significant differences in the rate of student error than for students attending Regular Disbursement System [RDS] institutions. Due to the nature of ADS central disbursement, however, we were able to document actual disbursements to only two of these students because the schools they attended voluntarily kept records of BEOG disbursements. Of the 29 ADS schools in our sample, 25 did not keep records of central BEOG disbursements made to their students by ED. Additionally, interview data suggest that ADS payments are often held up pending the resolution of application problems, including validation. Delays in disbursements appear to extend over a relatively large part of the academic year, making verification of program accuracy difficult.

Institutions Collecting IRS Forms

A relatively small, but possibly growing, proportion of institutions routinely collect copies of IRS tax returns from students receiving financial aid. Seventy institutions visited, or 23 percent of our sample, reported such routine collection. Given the importance of this form in documenting or verifying students' eligibility for aid, we hypothesized that collecting IRS forms reduces the incidence of student error. As Figure 5-8 indicates, however, this hypothesis is not supported by our findings. No significant differences were found in either student or institution error. Although there is evidence that AGI errors are rarely large at either kind of school (of the students for whom we had hard documentation to verify SER data, only 10 percent had AGIs that differed by more than $500 from the AGIs on their SERs), the finding of no difference may be viewed by some as a surprising result. We believe it may also be somewhat misleading. The result is clearly not to be interpreted as implying the uselessness of institutional 1040 checks.

There are several specific confounding factors that make these particular institutional data of limited use for policy decisions regarding the 1040 checks. First, the schools that collect the forms do not seem to be examining them as closely as would be ideal (or would be done by a central processor under a revised BEOG delivery system). Second, the schools requiring the forms may have had especially wide error rates to begin with. Such schools may be instituting tax form requirements to reduce their errors to more typical levels (i.e., to the levels of most of the schools not requiring the forms). Third, institutions may be requiring IRS forms but using them only to verify awards of Campus-based funds. Fourth, it should be remembered that the definition of error used in this report is largely based on tax forms as verifying information, so having tax form data is

	COLLECT IRS FORMS (Sample N = 801)	DO NOT COLLECT IRS FORMS (Sample N = 3,283)
Total Disbursement Discrepancies		
All Underawards		
Percent with discrepancies	23%	21%
Mean discrepancies	-$330	-$228
All Overawards		
Percent with discrepancies	51%	50%
Mean discrepancies	$463	$445
Institution Error		
Underawards		
Percent with discrepancies	16%	16%
Mean discrepancies	-$344	-$215
Overawards		
Percent with discrepancies	26%	26%
Mean discrepancies	$489	$430
Student Error		
Underawards		
Percent with discrepancies	11%	9%
Mean discrepancies	-$260	-$222
Overawards		
Percent with discrepancies	30%	28%
Mean discrepancies	$391	$400
Sum of Total Award		
Discrepancies in dollars	$ 72 M	$330 M
Percent of net error	18%	82%
Percent of recipient population	19%	81%

FIGURE 5-8

DISBURSEMENT DISCREPANCIES AT
INSTITUTIONS COLLECTING IRS FORMS ROUTINELY
AND INSTITUTIONS NOT COLLECTING THE FORMS

artifactually correlated with error in the study. Fifth, tax forms are not currently the official source of AGI data for the program, and not all students have the forms or have their awards based on them, so institution-level data do not provide an adequate test of the usefulness of the forms for corrective action purposes by ED policymakers.

Institutional Validation

Figure 5-9 compares disbursement discrepancies for institutions which conduct their own institutional validation (54 percent of our sample) in addition to the procedures mandated by ED for selected Basic Grant recipients. As in the case of institutions collecting IRS forms, there is no clear preliminary evidence that institutional validation procedures have any impact on student or total award error. However, this analysis is blurred by the fact that substantial student error may be caused by inaccurate SER data items that are not verified through standard validation procedures. There is, on the other hand, a small difference in the incidence of institution error associated with institutional validation. Schools which independently validate some Basic Grant recipients commit fewer errors (a total of 36 percent disbursement error for institutions with their own validation system versus a 54 percent rate for the remainder). Overall, however, there was only an 8 percent difference in the proportion of students with any award error for institutions with their own validation (70 percent) and those institutions not validating on their own (78 percent). Analysis indicates student error was

	INSTITUTIONAL VALIDATION (Sample N = 2,697)	NO INSTITUTIONAL VALIDATION (Sample N = 1,387)
Total Disbursement Discrepancies		
All Underawards		
Percent with discrepancies	21%	22%
Mean discrepancies	-$241	-$262
All Overawards		
Percent with discrepancies	47%	55%
Mean discrepancies	$447	$451
Institution Error		
Underawards		
Percent with discrepancies	14%	20%
Mean discrepancies	-$219	-$268
Overawards		
Percent with discrepancies	22%	34%
Mean discrepancies	$437	$447
Student Error		
Underawards		
Percent with discrepancies	10%	7%
Mean discrepancies	-$235	-$218
Overawards		
Percent with discrepancies	29%	27%
Mean discrepancies	$401	$391
Sum of Total Award		
Discrepancies in dollars	$248 M	$154 M
Percent of net error	62%	38%
Percent of recipient population	66%	34%

FIGURE 5-9

DISBURSEMENT DISCREPANCIES AT INSTITUTIONS CONDUCTING AND NOT CONDUCTING INSTITUTIONAL VALIDATION slightly higher at institutions performing their own validation (39 percent as opposed to 34 percent), leading to the hypothesis that at least some institutional validation is instigated by perceived problems with the accuracy of BEOG application data or knowledge that the institution has error-prone students.

A selective analysis of error differences between institutions which reported they validate all Basic Grant recipients and institutions that validate only selected students showed no difference in the incidence or average amount of either institutional or student error. These data are not adequate for conclusions about the efficacy of more intensive validation as an ED policy move, however, because of the unknown precipitating factors behind institutions choosing to validate more intensively and because of the differences in the kinds of added validation conducted.

It may be, for example, that schools with greater validation efforts are pursuing that tactic to lower extraordinarily high initial error rates, and the additional validation may actually be working to normalize error levels at those schools. Until further work is undertaken, no firm conclusions on the value of added validation may be made. As a start, the additional analysis discussed in Chapter 7, comparing document data with SER data found in student files, sheds some light on whether institutions are actually carrying validation procedures to their full conclusion.

Chapter 7 also reviews the importance of BEOG validation for he recipients in our sample.

Other Institutional Procedures

Other analyses of institutional characteristics performed to discover causes for institutional error included:

- The impact of OSFA training on the incidence of BEOG error
- The impact of who calculates BEOG awards (professionals, students, clericals) on the presence of error
- Discrepancies in error between quarter and semester schools
- The impact of an automated system for checking enrollment and calculating awards on the presence of error

Figure 5-10 suggests that attendance at OSFA training workshops has little effect on reducing error in the BEOG program. While the table shows an inverse relationship between attending workshops and institutional error at larger schools (those with more than 3 financial aid officers), there is a very low level of student error at the larger schools where 75 percent or more of the FAOs have attended training. Because AEP/FAT error obscures our efforts to relate causes of error to institutional characteristics, these findings as a whole are not easy to interpret. It does appear, however, that the workshops have some positive effect on reducing student error. Perhaps training programs place greater emphasis on student application aspects of the BEOG program than on proper calculation and disbursement procedures.

In our analysis we compared institutions where only professionals calculate awards, those where professionals and others

ERROR FOR STUDENTS WHO ATTEND INSTITUTIONS
WITH MORE THAN THREE FINANCIAL AID OFFICERS

INCIDENCE OF ERROR	FEWER THAN 25% ATTENDED TRAINING	75% OR MORE ATTENDED TRAINING
Total Error	65.3%	64.3%
Institution Error	9.0%	39.1%
Student Error	57.9%	31.4%

ERROR FOR STUDENTS WHO ATTEND INSTITUTIONS
WITH THREE OR FEWER FINANCIAL AID OFFICERS

INCIDENCE OF ERROR	NO FAOS ATTENDED TRAINING	AT LEAST ONE FAO ATTENDED TRAINING
Total Error	60.0%	70.7%
Institution Error	32.0%	42.8%
Student Error	38.8%	38.2%

FIGURE 5-10

RELATIONSHIP BETWEEN OSFA TRAINING AND BEOG ERROR calculate awards, and those where only clerical staff, students, and nonprofessionals calculate awards. No significant differences in either student or institutional error among any of these categories resulted.

The only significant difference found in our comparison of error between semester and quarter-term schools was a lower incidence of institutional underaward at semester schools. This is probably because final disbursements had either not been made or had not been recorded on the books of some quarter-term schools at the time of our spring data collection.

Finally, schools that administer aspects of the BEOG program by computer showed absolutely no differences in levels of error from institutions which operate on a manual basis.[1]

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[1] The reader interested in learning more details about the four analyses described in this final section of the chapter is urged to refer to the appendices of this volume. These appendices provide a wealth of potentially useful descriptive information on these and other topics. This information was not included in the main body of the report for reasons of readability and flow.

CHAPTER 6

ERROR-PRONE PROFILING

In this chapter we examine recipient characteristics related to student error and the characteristics of schools related to institution error. From the former we hope to be able to identify students most likely to be in error so that targeted corrective actions, such as validation, can be employed. From the latter we similarly hope to identify institutional characteristics related to error so that targeted corrective actions, such as program review, can be used.

Through the use of a sequential search algorithm called Automatic Interaction Detector [AID], we have split the nonvalidated Basic Grant recipients in our sample into 20 exhaustive and mutually exclusive groups. Within each group recipients had similar, identifiable application data. By ranking these groups in order of average net student error per recipient, we can construct a priority order for validation. The results yielded:

- Identification of 2 percent of the recipients who had over 7 percent of student error
- Identification of 20 percent of the recipients who had over 50 percent of the error
- Identification of 53 percent of the recipients who had over 80 percent of the error
- Identification of 2 percent of the recipients who had an average net student error of over $370
- Identification of about 5 percent of the recipients who had an average net student error of over $261

In addition to the AID technique, we employed linear regression to relate family characteristics to error. We found:

- The higher a recipient's family AGI, nontaxable income, assets, or own income, the higher the estimated student error.

- Conversely, the larger the household size or number in college, the lower the estimated student error.
- Independent recipients have a lower average award error than dependent recipients.

Linear regression techniques were used to identify characteristics of schools related to institutional error. Our results showed:

- Private four-year schools had a significantly lower institutional award error per recipient than public four-year schools.
- Public two-year and proprietary schools had a significantly higher institutional award error per recipient than public four-year schools.
- Institutions that administer their own validation systems have a significantly lower absolute average institutional award error than those schools which do not.

IDENTIFICATION OF ERROR-PRONE RECIPIENTS FOR FURTHER VALIDATION

Currently, Pre-Established Criteria [PEC] select about 7 percent of Basic Grant applications for validation by financial aid officers. The issue we address in this section is the identification of error-prone recipients who were not already selected for validation. If we can identify these groups, using application data, we can then establish a priority for further or additional validation by quantifying the relationship between additional validation and error potentially removable.

It would have been desirable to develop error-prone profiling for all applicants, but this is beyond our present capability since our sampling was restricted to the universe of recipients as of fall 1980.

Thus, the analysis to follow is restricted in at least two ways:

- Analysis only applies to recipients.
- Potential predictors are restricted to application data.

For this phase of our analysis, we employed the sequential selection algorithm of the Automatic Interaction Detector [AID] program developed by the Institute for Social Research at the University of Michigan. Since this procedure is intended to build models, its results should be treated as tentative until we are able to validate the model against an independent data base. Nevertheless, the AID approach is a tested, state-of-the-art technique in Federal and state agencies needing to detect error in individuals' applications for government funds.

The discussion here reviews the preliminary results of error profiling using only application data as potential predictors and recipient cases which were not selected for validation. The criterion or dependent variable used in error profiling is student error. The precise definition of student error has already been presented in Chapter 1.

Data consisted of approximately 3,200 records of Basic Grant recipients who had not been selected for validation. For each recipient the file contains data from the application (as recorded on computed applicant records), the student and parent questionnaires, IRS copies of income tax records, property tax assessors' offices, financial institution records, and SRAs. Many of these data items are used to calculate the best verified student award which is the standard against which error is calculated.

The list of potential predictors was restricted to the set of data elements available on the application. This was done because the original motivation for this effort was to develop new PECs for selecting the applicants for validation, and the selection would have to be based on only the data elements actually on the application. Some application data elements were eliminated _a priori_ since they were not expected to have predictive power, leaving the following 36 potential predictors:

- Dependency status (independent or dependent student)

- Age of recipient
- Net income of the household
- The portion of income earned by the father or independent student
- Unusual medical expenses (dollars and percentage above 20 percent of net income)
- Taxes paid by the parents or independent student
- Savings of the parents or independent student
- Net assets of dependent students
- Home value
- Home equity
- Value of investment assets
- Net equity of investment assets
- Value of business or farm
- Net equity in business or farm
- Net family assets
- Transaction number for the SER
- Household size
- Number of dependents attending postsecondary institutions
- Whether or not tax figures are estimated
- Whether tax returns were assumed to have been filed
- Number of exemptions
- Adjusted gross income
- Social Security income
- Nontaxable income, other than Social Security
- Dependent student's own income
- Student's marital status

- Parents' marital status
- Value of itemized deductions for 1979
- Student's age
- Value of initial SEI
- Whether student lived with parents in 1979
- Whether student lived with parents in 1980
- Whether student was claimed as an exemption on parents' 1979 income tax return
- Whether student was claimed as an exemption on parents' 1980 income tax return
- Whether student received $750 in support from parents in 1979
- Whether student received $750 in support from parents in 1980

The AID model evaluates each predictor with respect to its ability to form two separate groups very different from each other with respect to the level of error. After finding that predictor which yields this best split, the process is repeated on each of the two new groups. The process continues until one of three events occurs:

- Newly formed groups have fewer than 25 observations.
- There are over 40 groups.
- The best split does not improve prediction power enough, i.e., resulting between-group sum of squares is less than .2 percent of total sum of squares.

The analysis described here resulted in a set of 39 groups, 20 of which are final groups. These 20 final groups are mutually exclusive and exhaustive, whereas the 19 other groups represent combinations of these 20 final groups. Fourteen of the 36 potential predictors are utilized in defining the final groups.

Figure 6-1 displays the average net errors and group sizes for the 19 final groups. Group 35 has the highest average error, an overpayment of $381, and group 38 has the lowest average error, an underpayment of $151.

Since AID solutions involve interactions among the predictors, it is difficult to describe or assess the substantive nature of the output as would be the case with regression analysis. The entire search sequence is diagrammed in Figure 6-2, where each box represents 1 of the 39 groups. Entries in the box include average dollar error ($\overline{X}$), group size (N), and the variable which is used to further split the group. The values of the variable which define the next group are indicated on the connecting lines.

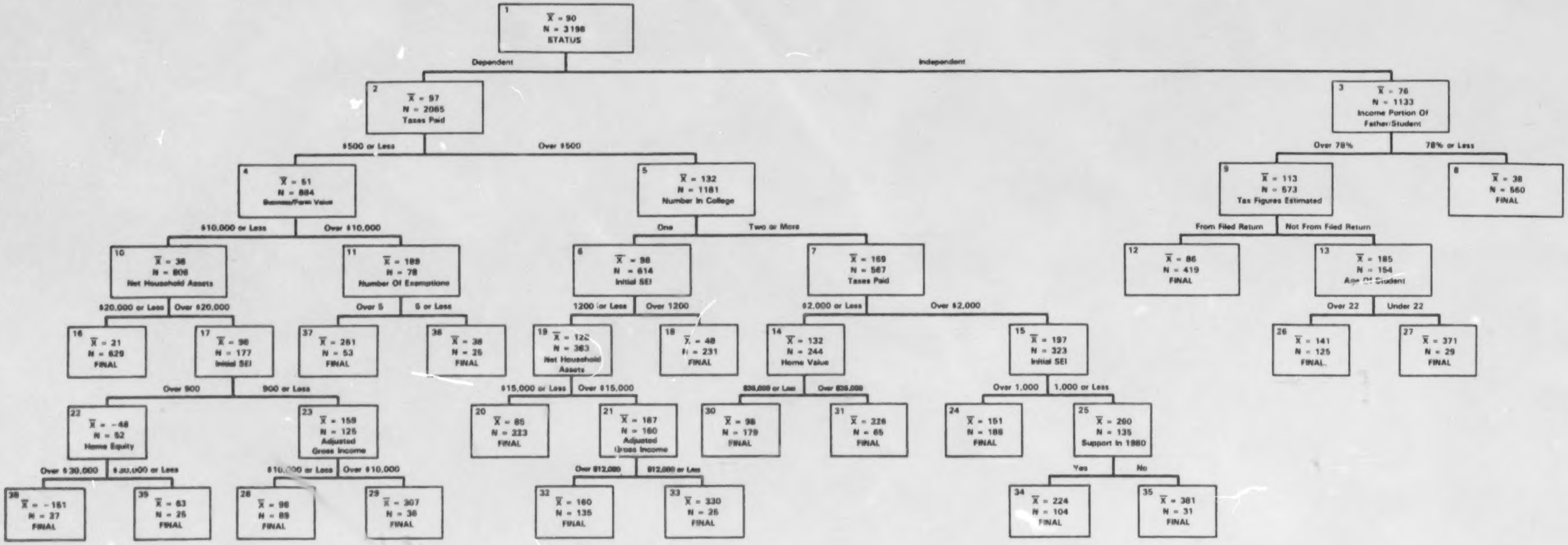
The first split was imposed to separate independent from dependent students. This was done because of the fundamental differences between these two groups and because the predictor variables take on somewhat different meanings for each of these groups.

Independent students, group 3, are then split based on the portion of income earned by the student. At the next level, independent students are split according to whether or not tax data supplied on the application was from a filed tax return. Finally, age of student was used to split at the fifth level.

GROUP NUMBER	NET ERROR	CUMULATIVE NET ERROR %	NUMBER OF CASES	CUMULATIVE NUMBER OF CASES %
35	$381	4.1	31	1.0
27	371	7.9	29	1.9
33	330	10.8	25	2.7
29	307	14.6	36	3.8
37	261	19.4	53	5.5
31	226	24.6	65	7.5
34	224	32.7	104	10.7
32	160	40.2	135	15.0
24	151	50.1	188	20.8
26	141	56.3	125	24.7
28	98	59.3	89	27.5
30	98	65.5	179	33.1
12	86	78.0	419	46.2
20	85	84.6	223	53.2
39	63	85.2	25	54.0
18	48	89.1	231	61.2
8	38	96.5	560	78.7
36	38	96.8	25	79.5
16	21	101.4	629	99.2
38	-151	100.0	27	100.0

FIGURE 6-1

AVERAGE NET STUDENT ERROR AND GROUP SIZES
FOR FINAL GROUPS



1 X̄ = 90 N = 3198 STATUS
Dependent
Independent
2 X̄ = 97 N = 2065 Taxes Paid
3 X̄ = 76 N = 1133 Income Portion Of Father/Student
$500 or Less
Over $500
Over 78%
78% or Less
4 X̄ = 51 N = 884 Business/Farm Value
5 X̄ = 132 N = 1181 Number In College
9 X̄ = 113 N = 573 Tax Figures Estimated
8 X̄ = 38 N = 560 FINAL
$10,000 or Less
Over $10,000
One
Two or More
From Filed Return
Not From Filed Return
10 X̄ = 38 N = 806 Net Household Assets
11 X̄ = 189 N = 78 Number Of Exemptions
6 X̄ = 98 N = 614 Initial SEI
7 X̄ = 169 N = 567 Taxes Paid
12 X̄ = 86 N = 419 FINAL
13 X̄ = 185 N = 154 Age Of Student
$20,000 or Less
Over $20,000
Over 5
5 or Less
1200 or Less
Over 1200
$2,000 or Less
Over $2,000
Over 22
Under 22
16 X̄ = 21 N = 629 FINAL
17 X̄ = 98 N = 177 Initial SEI
37 X̄ = 261 N = 53 FINAL
36 X̄ = 38 N = 25 FINAL
19 X̄ = 122 N = 383 Net Household Assets
18 X̄ = 48 N = 231 FINAL
14 X̄ = 132 N = 244 Home Value
15 X̄ = 197 N = 323 Initial SEI
26 X̄ = 141 N = 125 FINAL
27 X̄ = 371 N = 29 FINAL
Over 900
900 or Less
$15,000 or Less
Over $15,000
$36,000 or Less
Over $36,000
Over 1,000
1,000 or Less
22 X̄ = -48 N = 52 Home Equity
23 X̄ = 159 N = 125 Adjusted Gross Income
20 X̄ = 85 N = 223 FINAL
21 X̄ = 187 N = 160 Adjusted Gross Income
30 X̄ = 98 N = 179 FINAL
31 X̄ = 226 N = 65 FINAL
24 X̄ = 151 N = 188 FINAL
25 X̄ = 260 N = 135 Support In 1980
Over $30,000
$30,000 or Less
$10,000 or Less
Over $10,000
Over $12,000
$12,000 or Less
Yes
No
38 X̄ = -161 N = 27 FINAL
39 X̄ = 63 N = 25 FINAL
28 X̄ = 98 N = 89 FINAL
29 X̄ = 307 N = 36 FINAL
32 X̄ = 160 N = 135 FINAL
33 X̄ = 330 N = 25 FINAL
34 X̄ = 224 N = 104 FINAL
35 X̄ = 381 N = 31 FINAL

FIGURE 6-2

DIAGRAM OF AID SEQUENTIAL SEARCH SOLUTION

Dependent students, group 2, were split on taxes paid at the second level. Splits at the third level utilized business/farm value and the number of children in college. Fourth level splits were based on net household assets, number of tax exemptions, initial values of SEIs, and taxes paid. Initial eligibility indexes and net household assets appear again as fifth level split variables along with home values. At the last level of splits, AGI, home equity, and whether or not student will receive $750 in support during 1981 were utilized. Complete definitions of the 19 final groups are presented in Figure 6-3.

The importance of variables may be reflected by the order in which they first enter the model, as follows:

- Taxes paid
- Number in College
- Income Portion of Father/Student
- Value of Business or Farm
- Tax Figures Are Estimated
- Net Household Assets
- Initial SEI
- Age of Student
- AGI
- Home Value
- $750 Support in 1980
- Number of Tax Exemptions
- Home Equity

	GROUP NUMBER									
	35	27	33	29	37	31	34	32	24	26
Status	Dependent	Independent	Dependent	Dependent	Dependent	Dependent	Dependent	Dependent	Dependent	Independent
Taxes Paid	Over $2,000		Over $500	$500 or Less	$500 or Less	$500 – $2,000	Over $2,000	Over $500	Over $2,000	
Income Portion of Father/Student		Over 78%								Over 78%
Business/Farm Value				$10,000 or Less	Over $10,000					
Number In College	2 or More		One			Two or More	Two or More	One	Two or More	
Tax Figures Estimated		Not From Filed Return								Not From Filed Return
Net Household Assets			Over $15,000	Over $20,000				Over $15,000		
Number Of Exemptions					Over 5					
Initial SEI	1,000 or Less		1,200 or Less	900 or Less			1,000 or Less	1,200 or Less	Over 1,000	
Age of Student		Under 22								Over 22
Home Value						Over $35,000				
Home Equity										
Adjusted Gross Income			$12,000 or Less	Over $10,000				Over $12,000		
$750 Support in 1980	No						Yes			

	GROUP NUMBER									
	28	30	12	20	39	18	8	36	16	38
Status	Dependent	Dependent	Independent	Dependent	Dependent	Dependent	Independent	Dependent	Dependent	Dependent
Taxes Paid	$500 or Less	$500 – $2,000		Over $500	$500 or Less	Over $500		$500 or Less	$500 or Less	$500 or Less
Income Portion of Father/Student			Over 78%				78% or Less			
Business/Farm Value	$10,000 or Less				$10,000 or Less			Over $10,000	$10,000 or Less	$10,000 or Less
Number in College		Two or More		One		One				
Tax Figures Estimated			From Filed Return							
Net Household Assets	Over $20,000			$15,000 or Less	Over $20,000				$20,000 or Less	Over $20,000
Number of Exemptions								5 or Less		
Initial SEI	900 or Less			1,200 or Less	Over 900	Over 1,200				Over 900
Age of Student										
Home Value		$35,000 or Less								
Home Equity					$30,000 or Less					Over $30,000
Adjusted Gross Income	$10,000 or Less									
$750 Support in 1980										

FIGURE 6-3

AID ANALYSIS DEFINITIONS OF FINAL GROUPS

The groups formed by the AID model can be used to plot the relationship between total net error potentially removable and required number of additional validations. This estimated relationship expressed in percentage terms is depicted in Figure 6-4. Its construction is described in the following paragraph.

First, the groups are ranked by size of error (as depicted earlier in Figure 6-1). Then total net error for each group is calculated by multiplying average group error by group size. Then, the cumulative group sizes and total net error are calculated, expressed as percentages, and used to plot the points in the figure.

If Group 35 (about 1 percent of all nonvalidated students) was selected for additional validation, about 4 percent of student error could potentially be removed. Selection of groups 35, 27, 33, 29, and 37, which together account for 5.5 percent of nonvalidated students, could potentially expose 19.4 percent of cumulative net error. Since the graph depicts an increasing slope, gains to additional validation become lower as additional students are selected. As noted earlier, this relationship is based on total student error potentially removable and thus overstates error likely to be removed. It is unlikely that the error uncovered by the multifaceted field work utilized in this research study would be removed by the validation procedures currently in use.

180

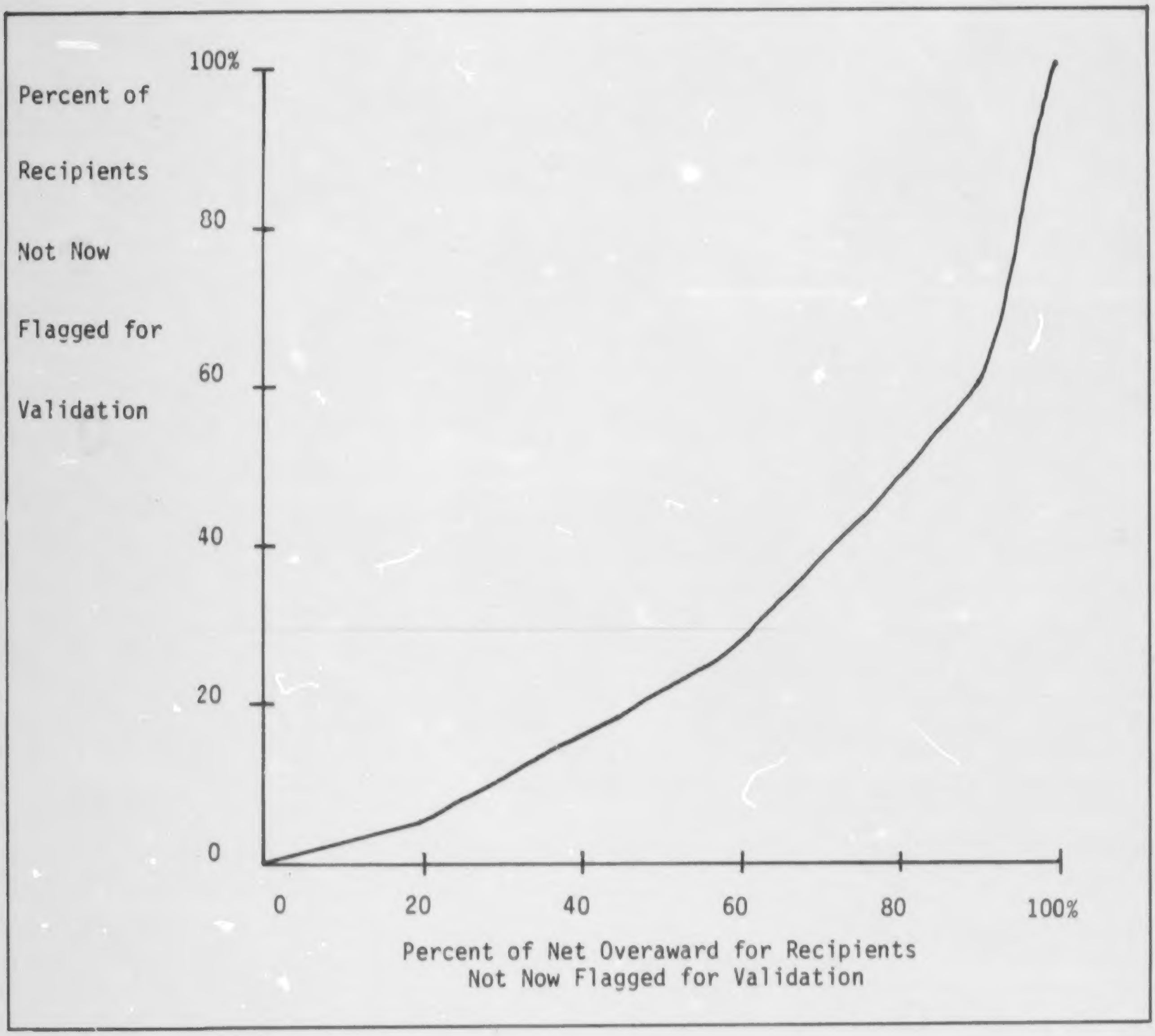


FIGURE 6-4

"LORENZ CURVE" FROM ERROR-PRONE PROFILING

REGRESSION ANALYSIS OF STUDENT AND INSTITUTION ERROR USING VERIFIED APPLICANT AND INSTITUTION DATA

This section presents the results of several simple regression models developed to explain error in the Basic Grant program. The AID model described earlier in this chapter attempted to identify error-prone populations using only the information available on student applications in order to develop a more effective method for selecting applications for validation. In contrast, the purpose of constructing the regression models was to determine the significant factors contributing to award errors. We therefore used the best possible information available, whatever its source, in the estimation of the regression equations.

In determining the significant explanatory factors for a given dependent variable, regression analysis has important advantages when compared to the statistical analyses utilized in earlier sections or chapters of this report. Bivariate techniques such as cross-tabulations and simple correlations, because they only measure the relationship between the dependent variable and one explanatory variable and ignore the possible effects of other explanatory variables, can produce misleading results in certain situations. Regression equations avoid this problem by measuring the effect of an explanatory variable on the dependent variable taking into account the values of other explanatory variables. AID analysis is useful in identifying error-prone groups, but it does not provide a method for determining the relative importance of each of the explanatory factors. Because of these advantages, regression analysis was felt to be an appropriate supplemental technique for investigating the factors leading to error in the Basic Grant program.

Two separate analyses were performed using regression equations. These two analyses were to explain institutional award error and student award error, respectively. As stated previously, the analyses were conducted using the most accurate data available for each variable, not simply the data available to processors or institutions. The explanatory variables were selected based on bivariate analysis and the AID results. When these techniques indicated significant relationships between these variables and the dependent variables, the variables were chosen as explanatory factors for the regression analyses. The regression analyses did not include students found to be categorically ineligible because this is essentially a random phenomenon of an either-or nature. The equations were estimated using Ordinary Least Squares [OLS] techniques and were weighted to represent all Basic Grant recipients.

In both equations the absolute value of award error was used as the dependent variable. This approach was chosen because both overawards and underawards are misallocations of resources and therefore of theoretically equal program importance. In addition, if certain explanatory variables are associated with both larger positive and negative award errors, this relationship can only be estimated using the absolute value of award error as the dependent variable. If net award error is used as the dependent variable instead, then the estimates produced by the regression equation will not indicate a relationship between such an explanatory variable and award error.

Regression models were developed which related the absolute value of institutional award error (as the dependent variable) to the type and control of the institution, whether the institution had its own validation system and/or required students to submit tax forms, whether the institution checked a student's enrollment status before making a disbursement, and how often the institution checked disbursements. All of these explanatory variables were categorical and were converted into dummy variables (i.e., variables having only two possible values, zero and one). The estimated results of this analysis are presented in Figure 6-5.

Private four-year schools were estimated to have a significantly lower absolute average institutional award error and public two-year and proprietary schools a significantly higher absolute average institutional award error than four-year public schools. In addition, it appears that institutions that administer their own validation system or check enrollment status before making disbursements have a significantly lower absolute average institutional award error than institutions that do not follow these practices. The strongest finding pertained to proprietary schools. These schools may very well engage in practices causing substantially higher absolute average institutional award error than other schools. Alternatively, as suggested in Chapter 5, the finding may only reflect the more complicated award calculation required for proprietary schools.

INTERCEPT[1]	PRIVATE 4-YR.[2]	PUBLIC 2-YR.[2]	PRIVATE 2-YR.[2]	PROPRIETARY[2]	OWN VALIDAT.[2]	USE TAX FORM[2]	CHECK ENROLL.[2]	CHECK DISBURS.[2]	$\bar{R}^2$[3]
116	-26	40	-14	155	-39	0.1	-39	6	.10
(13*)[4]	(4*)	(6*)	(1)	(17*)	(7*)	(0)	(5*)	(1)	

[1] The intercept represents the estimated average institutional award error for students attending a public four-year institution which does not administer its own validation system, require students to submit tax forms, check enrollment, or check disbursements. Such an institution is the comparison category for the analysis.

[2] The values in the columns (the coefficients) represent the estimated difference in the absolute value of average institutional award error between students attending institutions not represented in the category and students attending institutions represented in the category.

[3] The $\bar{R}^2$ represents corrected R-Square, a measure of the goodness of fit of the model correcting for the number of degrees of freedom in the equation. An $\bar{R}^2$ of .10 indicates a total of 10 percent of the variation in the dependent variable is explained by the explanatory variables in the equation.

[4] The asterisk indicates a significant relationship between this variable and the dependent variable at the 99 percent confidence level. Parentheses are used for t statistics.

FIGURE 6-5

RESULTS OF REGRESSION ANALYSIS
OF INSTITUTIONAL AWARD ERROR

The model shows a relatively low explanatory power, as evidenced by the corrected R-Square of only .10 (a figure of between .20 and .30 is considered reasonable for individual cross-section data).[1] This indicates either that there were important explanatory variables omitted from the equation or that institutional award error is essentially a random or institution-specific process that cannot be explained using our existing analytical categories. In an attempt to increase the explanatory power of the model, student characteristics and the disbursement level were added to the equation as explanatory variables. This had little appreciable effect on the model.

The analysis of absolute average student award error proceeded in a similar fashion to the analysis of institutional award error. The explanatory variables consisted of AGI, student income for dependent students, assets, home value, household size, number of persons in college, nontaxable income, and dependency status. The estimated results for this equation are presented in Figure 6-6.

The results indicate that the higher a student's family AGI, own income, assets, nontaxable income, or home value, the higher the estimated student award error--and the larger the household size or number in college, the lower the estimated student award error. In addition, independent students appear to have a lower

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[1] The corrected R-Square is a measure of the percentage of the variation in the dependent variable that is explained by the explanatory variables. In this equation, only 10 percent of the variation in institutional award error was captured by the explanatory variables used.

INTERCEPT	AGI[1]	NONTAXABLE INCOME[1]	ASSETS[1]	HOME VALUE[1]	HOUSEHOLD SIZE[1]	# IN COLLEGE[1]	STUDENT INCOME[1]	DEPENDENCY STATUS[2]	R^2[3]
142	0.01	0.02	0.06	0.003	-22	-52	0.05	-27	.23
(8*)[4]	(18*)	(8*)	(6*)	(11*)	(8*)	(8*)	(15*)	(2*)	

[1] These variables were estimated as continuous variables meaning that the coefficients (values in the columns) represent the estimated change in the dependent variable corresponding to a one-unit change in the explanatory variable.

[2] Dependency status is a dummy variable coded "0" for dependent students and "1" for independent students. The coefficient -27 represents the estimated difference in absolute average student award error between dependent and independent students (i.e., independents have $27 less award error in the context of the model specified.)

[3] The R^2 represents corrected R-Square, a measure of the goodness of fit of the model correcting for the number of degrees of freedom in the equation. An R^2 of .23 indicates a total of 23 percent of the variation in the dependent variable is explained by the explanatory variables in the equation.

[4] The asterisk indicates a significant relationship between this variable and the dependent variable at the 95 percent confidence level. Parentheses are used for t statistics.

FIGURE 6-6

RESULTS OF REGRESSION ANALYSIS OF STUDENT AWARD ERROR student award error than dependent students. The corrected R-Square of .23 seems to suggest the equation is a relatively good representation of the origins of student award error.

These results are nevertheless not necessarily indicative of a causal relationship between the explanatory characteristics being considered and student award error. It is quite likely that what the regression equation most powerfully estimates is the relationship between the Basic Grant award formula and student award error. A broad spectrum of students commit errors on individual data items (see Chapter 3), but only for some students will these errors result in erroneous awards. For example, very poor students can make large errors on several application items and still receive a correct maximum award.

There are several indications that the regression results are reflecting this relationship between the award formula and student award error. The positive relationship between AGI, assets, student income, home value, and nontaxable income, on the one hand, and student award error, on the other, may be due to the fact that the higher the values for these explanatory variables, the greater the impact on student award error for any application item error. Similarly, the negative relationship of household size and the number of persons in college with student award error may be caused by the fact that the higher the values for these explanatory variables, the smaller the impact on student award error for any application item error. Finally, the result that independent students have lower student award error than dependent students may reflect the fact that independent students have lower incomes, and, therefore, any application item error will not affect student award error as greatly.

The conclusion regarding the regression analysis must therefore be a cautious one. The results do provide guidelines as to the relative relationships of a number of institutional and student characteristics to award errors, but the difficulty of assessing these relationships independent of the Basic Grant formula and other confounding factors lessens the immediate policy usefulness of these findings.

CHAPTER 7

BEOG VALIDATION

One method used by OSFA to increase the accuracy of application data is validation--a process in which a sample of applicants is selected and certain data items are verified by financial aid office personnel. Our study showed:

- Recipients flagged for validation in our sample displayed an average increase in their SEIs of almost 16 points between the time they were flagged for validation and their final corrections. In contrast, those in our sample not flagged for validation showed an average decrease in their SEIs of almost 36 points. Thus, those flagged for validation tended to decrease their eligibility while those not flagged tended to increase their eligibility throughout the year.

- Seventy-four percent of recipients who were flagged for validation had no change in SEI because of it. By contrast, 92 percent of recipients not flagged for validation had no change in SEI.

- Considerable error remained with recipients even after validation. An estimated $146 in absolute award discrepancy due to student error per validated student was found.

- The average absolute award discrepancy due to student error was $112 for recipients randomly flagged for validation. The average absolute award discrepancy due to student error was $135 for recipients not flagged for validation. This $23 average improvement is one measure of the positive but limited effect of validation on reducing student error.

- No documentation for adjusted gross income was found in institutional records for almost 13 percent of the cases flagged for validation. Even in those cases with documentation on file, over 10 percent of the adjusted gross incomes of recipients flagged for validation were incorrect in amounts exceeding OSFA specified tolerances. Thus, there is some laxity in institutional compliance with validation procedures.

- In many cases the data on file in the financial aid office did not correspond to the "best" data we obtained in our study. For key income items, our best data were closest to the aid office files for adjusted gross income and taxes paid and least close for nontaxable income and student/spouse income. Apparently, it is far easier for aid officers to validate the former, IRS-based items than the latter, non-IRS-based items.

BACKGROUND

The purpose of this chapter is to assess the effectiveness of the existing validation system. Validation was instituted to reduce the level of error in self-reported application items which affect the size of the student's grant and eligibility. Validation involves a procedure by which certain application entries are verified by financial aid office personnel for selected applications. Applications are selected for one of two reasons. First, some applications are randomly selected, using a sequential sampling rule, i.e., every nth application is selected until a maximum number is reached. Second, applications satisfying Pre-Established Criteria [PEC] are selected for validation. These criteria were designed to select applications thought to have high probabilities of being in error, on the basis of experience and logical considerations.

Not all applications satisfying the PEC, however, are selected for validation. Each criterion has an established ceiling. Once the number of applications selected for validation using that criterion reaches the ceiling, no further applications are selected for validation (as a general rule). Thus, the chance of being selected diminishes as the funding year proceeds.

An applicant who has been selected for validation is required to provide the financial aid officer documented proof for the following items:

- Dependency status

- AGI
- Federal income taxes paid
- Household size
- Number in college
- Other nontaxable income
- Dependent applicant's income

Optionally, proof may be required for the following items:

- Medical and dental expenses
- Elementary and high school tuition
- Veterans educational benefits
- Social Security benefits

The aid officer compares the documents with the values of the application items (as shown on the SER) and determines whether the differences exceed established tolerances. If the differences are within tolerances, payment can be made to the student. If not, the student must submit corrections to the central processor for recomputation of the eligibility index. If the case is somewhat unclear, the aid officer is allowed a degree of discretion in determining the dispensation of the case.

Established tolerances do not allow any change in dependency status, household size, applicant's savings/assets, or number in college. Any discrepancies which would not raise an original SEI above zero are considered to be within tolerance. Changes in parental assets (or assets of independent students who have their own dependents) which do not raise net asset value above $25,000 or which do not change net assets by over $1,000 are also within tolerance. For independent students the tolerance is $100 on net assets. Tolerances on parental income values are $500 on each of 7 components or $500 on effective family income (sum of income minus taxes). For independent applicant income, the tolerance is $100 instead of $500.

These tolerances are rather wide in that a $500 change in parental income can be associated with an SEI change of nearly 50 points. If this change were coupled with a $1,000 change in parental assets, together they could result in an SEI change of over 100 points. Further inhibitions to the effectiveness of validation are the ceilings imposed to keep down the number of validations which must be performed by financial aid officers.

EFFECTIVENESS OF VALIDATION

In this chapter we review the effectiveness of validation procedures which were in place for the 1980-81 funding year. While we would like to assess the impact of validation on all applicants, this is not possible since our data base is restricted to fall 1980 recipients.

One measure of effectiveness we use is the change in the eligibility index measured between two points in time. The first point is when the applicant was selected for validation; the second point is the most recent transaction on the central processor's file as of a certain date. This is a proxy for validation induced corrections. It is an imperfect measure since it will include all changes--voluntary and validation induced changes.

The second measure of effectiveness is the difference in the average disbursement errors between validated and nonvalidated recipients. This measure is also imperfect in that it does not measure how much error is removed by validation. It measures error which remains after validation.

SEI changes are presented in Figure 7-1 as unweighted arithmetic means. In all cases, SEI was capped at 1,601 in order to measure effective SEI change rather than actual SEI change (this limits positive SEI changes to 1,601). The absolute value of the SEI change counts all SEI changes resulting from validation. The net value of SEI change allows offsetting of negative SEI changes against positive SEI changes. As SEI is increased, payments are decreased and greater dollar savings are realized.

Figure 7-1 presents statistics concerning average change in SEI between selection for validation and the most recent SER. Column 1 shows that for the 1,022 validated cases the average net SEI change was a positive 15.9 points, Thus, validated students increased their SEIs, which meant they would receive lower grants. Treating increases and decreases as changes, the average absolute change is 81 points.

Students not subjected to validation submitted corrections which decreased their SEIs by nearly 36 points, thus increasing their grants. The average absolute change was 46.6 points. Comparing validated and nonvalidated students we see that validated students had larger changes and/or more frequent changes since the average absolute value of changes (81) is

	OVERALL MEAN CHANGE	CATEGORICAL MEAN		
		DECREASE	NO CHANGE	INCREASE
All Validated Cases				
Absolute	81.0	357.4	0	283.5
Net	15.9			
N	1022	93	754	175
(%)	(100.0)	(9.1)	(73.8)	(17.1)
All Non-validated Cases				
Absolute	46.6	653.8	0	279.3
Net	-35.9			
N	3256	203	2996	57
(%)	(100.0)	(6.2)	(92.0)	(1.8)
Random Validated Cases				
Absolute	68.1	366.2	0	312.3
Net	8.2			
N	159	13	126	20
(%)	(100.0)	(8.2)	(79.2)	(12.6)
Cases Meeting PECs				
Absolute	82.6	356.0	0	276.8
Net	17.2			
N	871	80	634	157
(%)	(100.0)	(9.2)	(72.8)	(18.0)

FIGURE 7-1

ABSOLUTE AND NET EFFECTIVE SEI CHANGE

nearly twice that of nonvalidated students (46.6). Furthermore, corrections submitted by validated students increased their SEIs by 52 points (15.9 increase + 35.9 decrease) compared to nonvalidated students.

The right-most three columns of Figure 7-1 disaggregate corrections into SEI decreases, zero SEI changes, and SEI increases. Validated students less often had zero SEI changes (73.8 percent compared to 92.0 percent). The proportion of validated students with SEI increases was nearly 10 times as high as for nonvalidated students (17.1 percent compared to 1.8 percent). The average increases were nearly equal, while decreases on average were smaller for validated students (653.8 for nonvalidated compared to 357.4 for validated).

Of the 26.2 percent of validated students having changes, 65 percent had increases compared to 23 percent of the 8 percent of the nonvalidated students who had changes. Nonvalidated students with changes were much more likely to have decreases than validated students (77.5 percent compared to 34.7 percent).

In summary, validated students are more likely to have SEI changes than nonvalidated students, and the change is much more likely to be an increase in SEI. Overall, validated students increased their SEI by 16 points instead of decreasing the SEI by 36 points, a difference in corrections behavior which on average raises SEIs for validated students 52 points above their nonvalidated counterparts.

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The bottom two panels of Figure 7-1 break down the statistics for all validated students by reasons for validation. The third panel shows statistics for students selected randomly, whereas panel four contains data for students selected for validation because of meeting one or more of the PEC.

A comparison of nonvalidated students (Panel 2) and randomly selected students (Panel 3) would assess the degree to which validation is effective in stimulating corrections when applied to similar students. Randomly selected students increased their SEIs by 8.2 points compared to the decrease of 35.9 points experienced by nonvalidated students. Randomly selected students had changes 20.8 percent of the time compared to only 8 percent for nonvalidated students. Of students with changes, randomly validated students were more likely to have increases (60.6 percent of the time compared to 22.5 percent for nonvalidated students). These increases were higher for randomly validated cases (312.3 compared to 179.3). Decreases were larger for nonvalidated students (653.8 compared to 366.2).

In conclusion, it appears that validation itself when applied to similar students does result in reducing error and lowering payments.

PRE-ESTABLISHED CRITERIA

Contrasting randomly validated cases (Panel 3) with cases meeting the PEC will address the issue of how well the PEC target validation. If they are well designed, they should select cases which have larger errors and thus should show larger SEI increases. This is confirmed by entries in Figure 7-1. SEI increases for randomly selected cases are about half the level of SEI increases for cases meeting the PECs (8.2 percent compared to 17.2 percent). Similarly, changes are more likely for PEC selected students (27.2 percent compared to 20.8 percent). For those with changes, PEC selected students are only slightly more likely to have increases (66.2 percent compared to 60.6 percent). Thus, the Pre-Established Criteria are marginally more effective than random selection.

The Pre-Established Criteria consist of seven major categories labeled A through G. Major category A is further broken down into 21 subcategories: A1 through A21. The attached Appendix contains a listing of these criteria. Figure 7-2 presents SEI change statistics by reason for selection.

Condition C--SEI changes over 250 points--appears to be most effective in that it elicits an average SEI increase of 44 points. Next most effective is category A, with an average increase of 22.5. Categories D, E, F, and G had too few occurrences to make any statement concerning their efficacy. Category B is similar to category C except that it targets only on recipients who had SEIs over 1,600 (ineligible) at some point and current SEIs lower than 1,351. Furthermore, category B shows a small SEI decrease.

The first factor to consider in analyzing this data is that the sample does not include nonrecipients. Therefore the mean SEI change for all validated students (including nonrecipients)

		CATEGORICAL MEAN		
	MEAN	DECREASE	NO CHANGE	INCREASE
A:				
Absolute	96.7	386.5	0	280.9
Net	22.5			
N	594	57	411	126
(%)	(100.0)	(9.6)	(69.2)	(21.2)
B:				
Absolute	58.7	297.2	0	209.1
Net	-2.9			
N	135	14	103	18
(%)	(100.0)	(10.4)	(76.3)	(13.3)
C:				
Absolute	69.4	213.0	0	379.8
Net	44.0			
N	67	4	53	10
(%)	(100.0)	(6.0)	(79.1)	(14.9)
D:				
Absolute	0	0	0	0
Net	0			
N	2	0	2	0
(%)	(100.0)	(0.0)	(100.0)	(0.0)
E:				
Absolute	41.1	287.4	0	0
Net	-41.1			
N	35	5	30	0
(%)	(100.0)	(14.3)	(85.7)	(0.0)
F:				
Absolute	10.6	0	0	317.0
Net	10.6			
N	30	0	29	1
(%)	(100.0)	(0.0)	(96.7)	(3.3)
G:				
None				

FIGURE 7-2

SEI CHANGE BY PECS

is understated by the figures in Figure 7-1 because all validated nonrecipients who are initially eligible experience positive SEI changes causing them to be ineligible. Undoubtedly, the greatest portion of large positive SEI changes are missing from the sample. Conversely, measuring SEI change due to validation from the first to the last SER overstates SEI change. Validation may be responsible for only one or two corrections and, thus, a smaller change in SEI. But since it cannot be determined which transactions are a direct result of the validation process, all corrections following validation selection are assumed to be products of validation. Lastly, it is assumed that since the student was validated, the last correction was received by the institution. If the last correction was voluntary, though, the student may have neglected to submit it to the institution, especially if it were not favorable to the student. Such a correction would result in a positive SEI change. Inclusion of this correction will mildly overstate the actual SEI change.

DIFFERENCES IN PAYMENT ERROR

The second measure of validation effectiveness involves the difference in disbursement or payment error between validated and nonvalidated students. As noted, it is an imperfect measure. The verification procedures in this study encompass all application items, whereas validation focuses on seven items. In addition, validation allows discrepancies to go uncorrected if they are within tolerances. Furthermore, the comparison is biased against concluding that validation is effective since the cases validated are thought to be the worst cases. Thus, it is possible that even though validation removed a lot of error, the error remaining is equal to the level of error found in the nonvalidated cases.[1]

Figure 7-3 demonstrates that the number of overpayments and their average value, as well as the number of underpayments and their average value, are not very different for all validated students compared to nonvalidated students. The average overpayment of $389 for randomly selected cases is $57 below the average overpayment for nonvalidated students.

Even after validation, student and institutional error remain. For example, 73 percent of all validated recipients had awards in error. The average net award error after validation was $170. There was a $41 difference in absolute award discrepancy due to student error between recipients randomly selected for validation and recipients selected for validation via the PEC. We would therefore suspect that the PEC may successfully identify some highly error prone applicants.

Comparing the randomly selected recipients with those not validated provides one measure of the effectiveness of validation. Presumably those randomly selected roughly represent the

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[1] In interpreting any data in this report regarding "remaining error," the reader should bear in mind that ED validation does not check all items in the formula. Therefore, even a perfect validation of the present system would not be capable of removing all error (i.e., producing no remaining application error for validated students as a whole).

	PEC SELECTED (Sample N=792)	RANDOMLY SELECTED (Sample N=145	TOTAL VALIDATED (Sample N=937)	NONVALIDATED (Sample N=2,935)
TOTAL DISBURSEMENT DISCREPANCIES				
All Underawards				
Percent with discrepancies	21%	19%	21%	21%
Mean discrepancies	-$248	-$276	-$252	-$251
All Overawards				
Percent with discrepancies	51%	54%	52%	50%
Mean discrepancies	$440	$389	$431	$446
Mean Net Discrepancies	$172	$158	$170	$171
Mean Absolute Discrepancies	$276	$263	$276	$276
INSTITUTION ERROR				
Underawards				
Percent with discrepancies	14%	15%	14%	16%
Mean discrepancies	-$213	$301	-$228	-$245
Overawards				
Percent with discrepancies	25%	28%	26%	26%
Mean discrepancies	$418	$410	$417	$442
Mean Net Discrepancies	$ 75	$ 69	$ 74	$ 78
Mean Absolute Discrepancies	$134	$160	$140	$154
STUDENT ERROR				
Underawards				
Percent with discrepancies	11%	6%	10%	9%
Mean discrepancies	-$257	-$206	-$252	-$230
Overawards				
Percent with discrepanices	31%	30%	31%	29%
Mean discrepancies	$403	$332	$391	$395
Mean Net Discrepancies	$ 96	$ 89	$ 95	$ 94
Mean Absolute Discrepancies	$153	$112	$146	$135

FIGURE 7-3

DISBURSEMENT DISCREPANCIES:
VALIDATED VS. NONVALIDATED STUDENTS

nonvalidated, with the exceptions that randomly selected recipients went through the validation process. With this comparison as the measure, Figure 7-3 shows an average $23 reduction in absolute student error.

INSTITUTION PROCEDURES

Validation relies on institutions collecting proper documentation and verifying that certain data items on the application are within specified tolerance of the verified information. Figure 7-4 displays certain aspects of institutional performance of validation.

The first column lists the data items to be validated, and the second column lists the specified tolerances. If discrepancies do not exceed the tolerances, then students need not correct their applications.

The third column lists the percent of cases in which no documentation for the specified data item was found in the financial aid file. For AGI, for example, 12.8 percent of those flagged for validation did not have supporting documentation in the financial aid file at the time of our site visits in the spring of 1981.

The fourth column shows the percentages of recipients whose discrepancies exceeded the tolerances. A discrepancy was defined here to be the difference in the data item between the figure found on the SER from which the award was made and the figure found on the documentation in the financial aid file. In general,

REQUIRED DATA ELEMENT	VALIDATION TOLERANCE	VALIDATED CASES ONLY PERCENT OF RECIPIENTS WITH NO INSTITUTION DOCUMENTATION	PERCENT OF STUDENT RECORD DATA OUT OF BEOG TOLERANCE[1]	PERCENT OF STUDENT RECORD DOCUMENTATION DIFFERENT FROM DOCUMENTATION COLLECTED FOR THE 1980-81 QC STUDY[2]
Dependency Status				
Taken As Exemption '79	None	8.7%	8.5%	2.9%
Taken As Exemption '80	None	N.A.	N.A.	N.A.
Support From Parents '79	None	11.1%	12.2%	*[3]
Support From Parents '80	None	11.4%	27.2%	*[3]
Lived With Parents '79	None	10.0%	4.5%	12.6%
Lived With Parents '80	None	10.4%	16.0%	48.7%
Household Size	None	7.7%	13.4%	N.A.
Number In Postsecondary Ed.	None	14.8%	7.6%	N.A.
Adjusted Gross Income	Independent $100		13.9%	
	Dependent $500	12.8%	10.2%	6.2%
Taxes Paid 1979	Independent $100		13.8%	
	Dependent $500	10.9%	8.5%	10.3%
Other Nontaxable Income	Independent $100		14.8%	
	Dependent $500	31.4%	7.2%	58.0%
Dependent Student Income 1979	None	0.0%	53.7%	43.0%

[1] The comparison is between the data item on the SER from which the award was made and on the documentation on file in the financial aid office.

[2] The comparison is between the documentation on file in the financial aid office and on the "best" documentation we collected during the study, in parent interviews, student interviews, or directly from IRS forms. Only study data supported by some type of documentation have been used in these comparisons. These figures do not represent estimates of total error in SRA data.

[3] Starred cases indicate that documentation was not available in a sufficient number of cases to permit reliable statistical analysis.

FIGURE 7-4

EFFECTIVENESS OF INSTITUTIONAL DATA COLLECTION FOR BEOG VALIDATION, 1980-81 this error rate reflects institutional noncompliance with proper validation procedures.

The final column lists the percentage of validated cases for which documentation in the financial aid file did not match the "best" documented values we had collected. These figures do not represent institutional noncompliance but do measure shortcomings in an institution's ability to collect accurate documentation for these data items. In approximately 10 to 15 percent of validated cases, we were able to collect documentary evidence (IRS forms, cancelled checks, lease agreements, etc.) which backed up the information supplied to aid offices for validation purposes by students and/or parents. Among these cases, as the last column of Figure 7-4 shows, there were many instances where our data did not agree with the data recorded in validation materials found in student records.

It should be noted that those cases where interviewers did obtain actual documentation may have been particularly complicated or problematic, which would lead to some inflation of the discrepancy rates reported in Figure 7-4. Nevertheless, we did find substantial evidence that intensive interview probing on validation questions may yield more accurate reporting of data than the existing, less intensive validation system.

Figure 7-5 breaks out the discrepancies between documented data for validated students collected in the course of the QC study and student record data for those students' key income items. (In other words, it details some of the data of the last

QC DOCUMENTATION VALUE SMALLER THAN STUDENT RECORD ABSTRACT VALUE	ADJUSTED GROSS INCOME	TAXES PAID	NONTAXABLE INCOME (OTHER THAN SOCIAL SECURITY)	STUDENT/SPOUSE INCOME
$551 or more	1.5%	1.7%	15.0%	1.7%
251 - 550	.2%	1.0%	4.0%	3.5%
151 - 250	0	.2%	2.7%	2.3%
51 - 150	.5%	1.0%	3.7%	7.6%
3 - 50	.8%	1.4%	2.7%	5.8%
QC DOCUMENTATION VALUE EQUAL TO STUDENT RECORD ABSTRACT VALUE (Within $2.00)	93.8%	89.7%	42.0%	57.0%
QC DOCUMENTATION VALUE LARGER THAN STUDENT RECORD ABSTRACT VALUE				
$ 3 - 50	.7%	1.7%	1.0%	8.7%
51 - 150	0	.7%	3.7%	4.1%
151 - 250	.3%	.5%	.7%	1.2%
251 - 550	.2%	1.0%	5.7%	5.2%
551 or more	2.0%	1.2%	19.0%	2.3%

FIGURE 7-5

DISCREPANCY RANGES: DOCUMENTED VALUES COLLECTED FOR THE QC STUDY VERSUS STUDENT RECORD ABSTRACT DOCUMENTATION ON KEY DATA ELEMENTS columns of Figure 7-4.) For the two items which could be documented from IRS data, AGI and taxes paid, study data agreed with SRA data in about 90 percent of cases. Of those cases where differences were found, 3.2 percent were found to have higher adjusted incomes than were recorded in students' records, while 3.0 percent had documented incomes lower than those recorded in SRAs. The majority of differences were over $550.

Data on nontaxable income (other than Social Security) and student/spouse income were far less likely to accord with SRA documentation than the IRS items. Only 42.0 percent of our documented values obtained from independent students or parents of dependent students equaled SRA data for nontaxable income, and only 57.0 percent of our study data matched SRA values for student/spouse income. The range of discrepancies for nontaxable incomes was particularly large; in over one-third of documented cases the totals were divergent by more than $550. The discrepancies between study data and SRA data on student/spouse income, on the other hand, were relatively small; less than 5 percent differed by more than $550.

Comparisons between our documented data and SRA data indicate that validation of IRS-verifiable items by institutions results in relatively high, but not perfect, levels of accuracy. Items which are difficult to document, such as nontaxable income, and dependency status items, such as those asking whether parents supply financial support to students, are far more difficult for institutions to document accurately.

APPENDIX

This appendix is copied without change from the Department of Education's document.

1980-81 Validation Criteria

Criteria	Description
A1	Any previous transaction was rejected for the sum of portions being greater than 120 percent of AGI and business/farm value/debt are any combination of blanks, negatives, and zeros and this reject reason has been verified on the current transaction and the tax filing status is not estimated.
A2	Any previous transaction was rejected for the sum of portions being greater than 120 percent of AGI and business/farm value/debt are any combination of blanks, negatives, and zeros and this reject reason has been verified on the current transaction and tax filing status is estimated.
A3	Any previous transaction was rejected for zero AGI and the sum of portions is greater than zero and a tax return has been filed and business/farm value/debt are any combination of blanks, negatives, and zeros and this reject reason has been verified on the current transaction.
A4	Any previous transaction was rejected for portions being greater than 120 percent of ONTI and AGI is blank or zero and the EI calculated using the sum of ONTI plus portions is greater than the EI calculated using ONTI by 50 points and this reject reason has been verified on the current transaction and no tax return has been filed or answer is blank. or Any previous transaction was rejected for portions being greater than 120 percent of ONTI and AGI is blank or zero and no EI was calculated and no tax return has been filed or answer is blank and this reject reason has been verified on the current transaction.
A5	Student status is independent and any previous transaction was rejected for household size greater than one and total income less than $400 per family member and this reject reason has been verified on the current transaction.

Criteria	Description
A6	Student status is dependent and any previous transaction was rejected for total income being less than $400 per family member and this reject reason has been verified on the current transaction.
A7	Student status is dependent and any previous transaction was rejected for reported tax exceeding computed tax by $500 or more and this reject reason has been verified on the current transaction and tax filing status is not estimated.
A8	Student status is dependent and any previous transaction was rejected for reported tax exceeding computed by $500 or more and this reject reason has been verified on the current transaction and tax filing status is not estimated.
A9	Student status is independent and any previous transaction was rejected for reported tax exceeding computed tax by $500 or more and this reject reason has been verified on the current transaction and tax filing status is not estimated.
A10	Student status is independent and any previous transaction was rejected for reported tax exceeding computed tax by $500 or more and this reject reason has been verified on the current transaction and tax filing status is estimated.
A11	Any previous transaction was rejected for medical/dental expenses exceeding $5,000 and this reject reason has been verified on the current transaction.
A12	Any previous transaction was rejected for medical/dental expenses exceeding $500 and 30 percent of total income and this reject reason has been verified on the current transaction.
A13	Any previous transaction was rejected for tuition exceeding $500 and 20 percent of total income and this reject reason has been verified on the current transaction.
A14	Any previous transaction was rejected for Social Security match and EI calculated using reported SS is less than the EI calculated using the SS file amount by more than 50 points or, if EI cannot be calculated, the amount on SS file exceeds the reported SS amount by $500 (dependent) or $100 (independent) and this reject reason has been verified on the current transaction.

Criteria	Description
A15	Any previous transaction was rejected for Social Security match and EI calculated using reported SS is less than EI calculated using SS file amount by 50 points and reported amount has been corrected and new reported amount is less than the file amount by $500 (dependent) or $100 (independent). or Any previous transaction was rejected for Social Security match and EI was not calculated and the reported SS amount is less than the SS file amount by $500 (dependent) or $100 (independent) and reported SS amount has been corrected and now, EI calculated with reported amount is less than EI calculated with SS file amount by more than 50 points.
A16	Any previous transaction was rejected for VA match with reported VA amount blank, zero and this reject reason was verified.
A17	Any previous transaction was rejected for VA match with reported VA amount blank or zero and the reported VA amount has been corrected to an amount less than $156.
A18	Any previous transaction was rejected for VA match with reported VA amount between $0 and $156 and this reject reason has been verified.
A19	Any previous transaction was rejected for VA match with reported VA amount between $0 and $156 and reported VA amount has been corrected to an amount less than $156.
A20	Any previous transaction was rejected for reported VA amount being negative or less than $156 but greater than $0 and not a VA match and this reject reason has been verified on this transaction.
A21	Any previous transaction was rejected for reported VA amount being negative or less than $156 but greater than $0 and reported VA amount has been corrected to an amount less than $156.
B	Any previous transaction has an EI greater than 1600 and current transaction has an EI less than 1351.
C	If the current transaction has an EI less than 1600 then subtract the current EI from the highest eligible EI of any previous transaction. Select if the result is greater than 249 points.

Criteria	Description
D	Applicants' savings and net assets have been corrected from any previous transaction by an amount greater than $300.
E	The first official transaction was rejected and total family income on that transaction has been corrected by an amount greater than $3,000.
F	Independent with household size of one and total income less than $400.
G	People on the problem file who should be automatically selected for validation for the current year.

CHAPTER 8

COMPARISONS OF 1978-79 AND 1980-81 BEOG ERROR

This study is in many ways similar to a BEOG Quality Control study of the 1978-79 award year. Both were designed to estimate national error rates and amounts in the program. We refer to the 1978-79 study as QC I and our 1980-81 study as QC II. Differences include:

- In QC I, data were collected in the late fall and early winter, and error computations were based on comparisons of verified student data with expected disbursement figures from SERs. QC II data were collected in the late winter and early spring, and error computations were based on comparisons of verified student data with actual disbursement figures obtained from the institution.
- The QC II collected secondary verification documents which QC I did not, including Internal Revenue Service copies of tax returns, documentation from financial institutions on bank accounts, and tax assessments of home value.

Despite these differences, comparisons of the findings from the two studies are illuminating:

- Net overawards (overawards less underawards) increased from $168 per recipient to $170 per recipient from 1978-79 to 1980-81.
- With an increase in the universe of recipients from 1.37 million to 2.36 million, the total estimated net overawards increased from $215 million to $402 million.
- Estimated absolute error (overawards plus underawards) increased from $346 million to $681 million.

- The frequency of underawards and overawards increased from 41 percent and 18 percent respectively in 1978-79 to 50 percent and 21 percent respectively in 1980-81.

- The frequency of student error decreased from 43 percent to 38 percent, but the average impact of student error per recipient increased from $48 net overaward to $94 net overaward.

- The frequency of institutional error increased from 22 percent to 42 percent, but the average impact of institutional error per recipient decreased from $120 net overaward to $77 net overaward.

- The rankings of most error-prone application items did not change significantly between 1978-79 and 1980-81.

DEFINITIONS

Due to differences in the timing and depth of data collection, the definition of error was different for the two studies. Thus, some differences in findings are due to the respective definitions for error employed in each study. As we will show, the procedures for discovering and defining errors used in QC II reflect more accurately the true underlying rates of mistakes involved in the BEOG program. Elsewhere, we have defined the algebraic conventions for calculating award errors (see Chapter 1). With regard to institutional error, the data elements in common between QC I and QC II were:

1. COST (3) - Cost of attendance determined from abstracting student records in the spring semester when such information was actually known and complete (based on experience of academic year)
2. ENROLL (3)- Enrollment status determined as was COST (3)

The data elements that were different between the two studies were:

3. SEI (1) - The student eligibility index determined during the fall semester of the academic year from SERs was used on QC I.
4. SEI (3) - The same index, but abstracted from updated SERs during the spring semester of the academic year, was used on QC II.
5. ED (1) - Expected disbursement, based on SERs during the fall semester, was used on QC I.
6. AD (3) - Actual (or planned) disbursement abstracted from student records in the spring semester was used on QC II.

Using these data elements, institutional error was defined as follows:

QC I: ED (1) - ED [SEI (1), COST (3), ENROLL (3)]

QC II: AD (3) - ED [SEI (3), COST (3), ENROLL (3)]

The definition employed by QC II more realistically approximates both the true underlying rates of institutional error and corresponding average dollar amounts because of the more up-to-date figures (AD [3] and SEI [3]) being used in calculations. As QC II's figures take into account adjustments over the academic year, more instances of institutional error would be visible, but fewer average discrepancies are discovered because such adjustments are designed to reconcile award amounts. QC II also discovered larger amounts (and greater incidence) of mean under-awards attributable to institutional error. Following the same line of argument, this can be explained by noting that QC II's more current data will more accurately reflect several kinds of institutional bureaucratic conservatism in adjusting award amounts. That is, SEI (3) will reflect in many instances updated requirements of students, and AD (3) will reflect the fact that institutions had not, at the time of QC II data collection, "caught up" administratively speaking with these extra legitimate amounts to be awarded students.

Student error was defined as follows in these studies:

QC I: ED [SEI (1), COST (3), ENROLL (3)] -
ED [SEI (*), COST (3), ENROLL (3)]

QC II: ED [SEI (3), COST (3), ENROLL (3)] -

ED [SEI (*), COST (3), ENROLL (3)]

The new data element introduced here is SEI (*), the Student Eligibility Index calculated using best verified information. The difference between QC I and QC II is again the utilization by QC II of more up-to-date information in SEI (3) versus SEI (1) in QC I. Thus, the relevant comparisons for understanding differences in student errors between QC I and QC II involve the discrepances between SEI (3) versus SEI (*) for QC II and SEI (1) versus SEI (*) for QC I.

It is likely that students correct their SEIs from an initial value resulting in an award that disappoints them, to a more satisfactory value (and higher corresponding award). Such corrections would be reflected in SEI (3) rather than SEI (1), the initial value, and could account for the observed increased rates and amounts of overaward error attributable to students found on QC II. Similarly, the greater incidence and amounts of underaward error attributable to students on QC I can be traced to updating behaviors by students over the course of the academic year. Everything else being equal, students are motivated to correct SEIs that result in underawards. Such corrections would be reflected in SEI (3) resulting in reduced incidence and amounts of underaward as discovered on QC II.

Finally, calculations for total errors between QC I and QC II boil down to the differences between ED (1) and AD (3). As argued before, ED (1) does not reflect the multiple adjustments and revisions that take place over the course of an academic year as students and institutions negotiate and reconcile awards. Thus, while average total overawards were larger in dollar amounts in QC I, the incidence of such errors was greater as discovered in QC II. This reflects the ability of QC II to detect more errors, although errors so detected do not translate into larger dollar amounts because reconciliations have taken place during the academic year. For average total underawards, the detection in rate of such errors is slightly higher in QC II, but the dollar amounts of such discrepancies are smaller in QC II because of reconciliations. And lastly, the greater incidence of total net overawards discovered in QC II is due to the more sensitive measures employed by this study.

COMPARISON OF TOTAL ERROR

Figure 8-1 displays key findings from the 1978-79 and 1980-81 studies. QC I was based on a sample representing 1.37 million recipients, while the QC II sample was weighted to represent a universe of 2.36 million. Disbursement errors are presented in four ways. First, there are the total amounts of error attributable to both institutions and students making mistakes (in both absolute and net overaward dollars). Next, there are two sets of average award errors broken down by student or institutional mistakes. These are mean overawards and underawards calculated, respectively, by averaging among only "positive"

TOTAL INSTITUTION-STUDENT ERROR	TOTAL EXPECTED DISBURSEMENT ERROR 1978-79 (UNIVERSE = 1.37 M)		ACTUAL DISBURSEMENT ERROR 1980-81 (UNIVERSE = 2.36 M)	
Absolute	$346 million		$681 million	
Net Overawards	$215 million		$402 million	
	Mean[1]	Percent with Error	Mean[1]	Percent with Error
Mean Overawards				
Student Error	$359	(26%)	$398	(29%)
Institution Error	$663	(19%)	$441	(26%)
Total	$531	(41%)	$448	(50%)
Mean Underawards				
Student Error	-$267	(17%)	-$231	(9%)
Institution Error	-$186	(3%)	-$239	(16%)
Total	-$281	(18%)	-$249	(21%)
Net Overawards				
Student Error	$ 48	(43%)	$ 94	(38%)
Institution Error	$120	(22%)	$ 77	(42%)
Total Error	$168	(59%)	$170	(71%)

[1] Mean errors are for those with errors in the rows corresponding to mean overawards and underawards. Mean errors are for the entire universe of recipients in the rows corresponding to net overawards.

FIGURE 8-1

COMPARISON OF 1978-79 AND 1980-81
DISBURSEMENT ERROR

extra amounts erroneously awarded to students and "negative" amounts erroneously not awarded to students. Lastly, there are the mean net overawards broken down into that which can be attributed to either student or institutional mistakes. The latter are averages, not aggregate total amounts as on the first and second row of the table.

In total, QC I estimated $346 million in absolute error; the comparable figure from QC II was $681 million. QC II also discovered a higher incidence of both underaward and overaward error among students and institutions. Mean overawards for cases with overawards are lower in 1980-81 ($448 compared to $531 in 1978-79) and mean underawards are lower as well (-$249 compared to -$281 in 1978-79). Net overawards over the entire recipient population are basically the same for the two years. However, student errors contribute more to this figure in 1980-81 than in 1978-79 and institutional errors considerably less.

Thus far, we have described only how discoveries of errors in dollar amounts of BEOG award disbursements differed between QC I and QC II. Turning now to the relative frequencies of various kinds of errors between the two studies, we find that, with one exception, the relative incidence of errors discovered was higher on QC II. (Two types of errors--mean total underawards and mean net overawards attributable to student errors--were essentially not different in frequency between the two studies.) The sole category of error having a higher relative incidence of discovery on QC I was mean underawards attributable to student mistakes. It is therefore mainly the frequency of award errors rather than the size of these errors that accounts for the increase in total error in the BEOG program in 1980-81.

COMPARISON OF APPLICATION ITEM ERROR

Figure 8-2 compares the application item error rates discovered in QC I and QC II. The application items are ranked from highest error rate to lowest. As the figure indicates, for most items the overall rankings did not change substantially from 1978-79 to 1980-81. However, in 1978-79 dependent students' resources, nontaxable income, adjusted gross income, and taxes paid were the most error-prone items, while in 1980-81 the four items most likely to be in error were cash/savings/checking, medical/dental expenses, home value, and home debt.

For a few items, however, there was a relatively large difference in rates of error between QC I and QC II. For medical/dental expenses, home debt, and cash/savings/checking, the relative incidence of error increased. A possible explanation for this increase is that in QC II we collected "harder" verifying documentation and, therefore, were better able to identify errors in these three application items. In QC I, application information was verified using data gathered from student and parent interviews and student financial aid records. In QC II we went further and collected (1) tax returns from the IRS to verify medical/dental expenses and other tax return data, (2) tax assessor records to verify home value and debt, and (3) financial institution records to verify cash/savings/checking.

APPLICATION ITEMS	RANK ORDER[1] DISCREPANCIES FROM QC I	RANK ORDER[2] DISCREPANCIES FROM QC II
Investment Value	11	14
Student's Marital Status	16	12
Student's Household Size	7	5
Number in Postsecondary Education	8	9
Nontaxable Income	2	10
Adjusted Gross Income	3	7
Taxes Paid	4	8
Medical/Dental Expenses	13 (tie)	2
Tuition	10	11
Home Value	6	3
Home Debt	9	4
Investment Debt	15	17
Cash/Savings/Checking	5	1
Business/Farm Value	17 (tie)	13
Business/Farm Debt	17 (tie)	15
Dependent Student's Resources	1	6
Amount of Veterans' Benefits	13 (tie)	16
Months of Veterans' Benefits	12	18

[1] Ranks are assigned as follows: lower numbers indicate greater rates of error and higher numbers indicate lesser rates of error.

[2] Only those QC II items which were included in QC I are ranked. A rank order indicates the relative position of that item to other shared items.

FIGURE 8-2

RANK ORDER COMPARISON
OF THE INCIDENCE OF DISCREPANCIES
ON INDIVIDUAL APPLICATION ITEMS BETWEEN QC I AND QC II

COMPARISON OF RATES OF REPORTED DIFFICULTY WITH APPLICATION FORM

For both QC I and QC II, students and parents were asked to describe the difficulties in filling out the BEOG application form. For QC I, 25 percent of the interviewed students and 20 percent of the interviewed parents indicated that they had difficulty with at least 1 item on the application. By comparison, more students (30 percent) and fewer parents (14 percent) admitted difficulty in QC II.

Figure 8-3 ranks the 10 items that students from QC I indicated were most difficult to answer. The rank order for these 10 items is given for students from QC II. (See Chapter 3 for further analysis of the items which gave QC II students difficulty.) As the table indicates, investment value, home value and debt, and household size--all among the most difficult items for students to answer in 1978-79--fell considerably in relative difficulty in 1980-81. On the other hand, AGI, medical/dental expenses, earned income, and taxes paid remained in 1980-81 among the most difficult for students to interpret and answer.

Figure 8-4 iterates Figure 8-3 for parents who reported problems filling out the BEOG application. As the table indicates, parents for both QC I and QC II perceived home value as being very difficult to answer. Earned income and taxes paid were also among the most difficult for parents to answer during both years.

	STUDENTS REPORTING DIFFICULTIES[1]	
	RANK ORDER FROM QC I	RANK ORDER FROM QC II
Investment Value	1	25
Home Value	2	12
Medical/Dental Expenses	3	7
Adjusted Gross Income	4	2
Earned Income	5	6
Taxes Paid	6	5
Home Debt	7	12
Household Size	8	19
Itemized Deductions	9	8
Casualty/Theft Loss[2]	10	-

[1] Ranks are assigned as follows: lower numbers indicate greater difficulty and higher numbers indicate lesser difficulty. The ranks are from a total of 27 application items.

[2] The casualty/theft loss item did not appear on the 1980-81 application.

FIGURE 8-3

RANK ORDER COMPARISON OF 10 MOST DIFFICULT ITEMS FOR STUDENTS TO SUPPLY ON APPLICATION BETWEEN QC I AND QC II

	PARENTS REPORTING DIFFICULTIES[1]	
	RANK ORDER FROM QC I	RANK ORDER FROM QC II
Farm Value[2]	1	-
Home Value	2	1
Farm Debt[2]	3	-
Investment Value	4	13
Business Value	5	10
Tuition	6	9
Business Debt	7	10
Adjusted Gross Income	8	12
Earned Income	9	6
Taxes Paid	10	8

[1] Ranks are assigned as follows: lower numbers indicate greater difficulty and higher numbers indicate lesser difficulty. The ranks are from a total of 27 application items.

[2] Farm value/debt was aggregated with business value/debt on the 1980-81 application.

FIGURE 8-4

RANK ORDER COMPARISON OF 10 MOST DIFFICULT ITEMS
FOR PARENTS TO SUPPLY ON APPLICATION BETWEEN QC I AND QC II

COMPARISON OF IMPACTS OF SER ITEMS BETWEEN QC I AND QC II

Mistakes on SER items have different consequences for the amount of BEOG awards disbursed to students. "Item effect" refers to the impact that a single erroneous SER item has on award disbursements holding everything else (all other SER items) "equal."

The notion of "holding things equal" is analogous to methodological and/or statistical procedures that attempt to isolate and disentangle causal effects in research involving more than one variable. In the specific case of SER items, the general procedure is to estimate SEIs (and corresponding award amounts) by varying only each SER item to ascertain marginal impacts. By varying only one item at a time, the effect this item has on award disbursement can be isolated because all other items have been left the same or "equal."

In both studies, the procedure was to take all unverified SER items supplied by students on applications and observe variations in SEIs by inserting verified items one at a time. The difference in award resulting from each SEI for each item being tested was the item impact attributed to that item. The results of these tests in QC I and QC II are displayed in Figure 8-5. Only the 10 items ranked most highly in QC I were included for this comparison (details for other items may be found in Chapter 3).

The rankings were very similar in the two studies, the lone exceptions being the growth in award problems due to

SER APPLICATION ITEMS	IMPACT RANK ORDER FROM QC I	IMPACT RANK ORDER FROM QC II[1]	DIFFERENCES
Nontaxable Income	1	5	-4
Adjusted Gross Income	2	1	+1
Home Value	3	2	+1
Household Size	4	3	+1
Number in Student's Family in Postsecondary Institution	5	7	-2
Income Taxes Paid	6	9	-3
Home Debt	7	—[2]	—
Cash and Savings	8	8	0
Investment Value	9	6	+3
Student/Spouse Assets	10	4	+6

[1] Ranks are assigned with lower numbers indicating greater marginal impacts and higher numbers indicating lesser marginal impacts. Items which did not appear in QC I have been omitted from rank ordering in QC II.

[2] The impact of home value and home debt were computed jointly in the QC Stage II study.

FIGURE 8-5

SER APPLICATION ITEMS WITH DISCREPANCIES HAVING THE GREATEST MARGINAL IMPACTS ON BEOG AWARD DISBURSEMENTS: COMPARISON BETWEEN QC I AND QC II student/spouse assets and investment value and the decline in problems due to nontaxable income and income taxes paid. As would be expected from the formula, errors on adjusted gross income and home value continued to be prime causes of disbursement error.

APPENDIX A

RESPONSES TO QUESTIONNAIRE ITEMS

Part 1	Student Questionnaire
Part 2	Parent Questionnaire
Part 3	Student Record Abstract
Part 4	Institutional Interview

FOR OFFICE USE ONLY

R	INST			PERS			S	STAT	CARD		BLANK	DDISP	
							1		0	1			
1	2	3	4	5	6	7	8	9	10	11	12	13	14

DATE FINALIZED

MM		DD		I			BATCH				VAL
15	16	17	18	19	20	21	22	23	24	25	26

OMB No. 1840 - 0033
Expires: July 1, 1981

BASIC EDUCATIONAL OPPORTUNITY GRANT QUALITY CONTROL STUDY
STUDENT QUESTIONNAIRE

AFFIX LABEL HERE

Conducted for:

Division of Quality Assurance
Office of Student Financial Assistance
U.S. Department of Education

Survey conducted by:

Westat, Inc.
1650 Research Blvd.
Rockville, Md. 20850

As part of a study conducted in affiliation with:

Advanced Technology, Inc.
7923 Jones Branch Drive
McLean, Virginia 22102

Hello, my name is (YOUR NAME) (SHOW ID BADGE). I am with Westat, Inc., a survey research firm. We are doing the U.S. Department of Education study of the problems people have with the financial aid application forms for Basic Educational Opportunity Grants. I am here to speak with (NAME OF RESPONDENT) about the application form filled out for the 1980-81 school year.

This study is being conducted according to the regulations of the Privacy Act. The primary reason for the study is to obtain information to improve the way the grant program works. However, this information will become part of the existing Basic Educational Opportunity Grant System of Records and may result in changes in the amount of your grant. I personally have signed a statement swearing not to reveal any information you give me during this interview, except for the purpose of this study and as required by law. When you signed the application form, you agreed to provide documents that would verify any information on the form. The authority for collecting this information is in Title IV of the Higher Education Act of 1965.

TIME BEGAN: |__|__| : |__|__| AM

ASK OF: ALL STUDENTS

SECTION A

The people who administer the Basic Educational Opportunity Grant program have found that errors sometimes happen because the forms aren't clear. We would like to learn more about any problems that you had when you applied for an educational grant for the 1980-1981 school year.

Q.1 Please take a minute to scan this financial aid application form and tell me about the items that gave you any trouble. (HAND R ONE-PAGE FORM.) (IF R HAS PROBLEM, HAND CARD A AND ASK:) For which of the following reasons was there trouble answering this question? (FOR EACH PROBLEM, RECORD ITEM NUMBER FROM FORM, WRITE PROBLEM TYPE CODE NUMBER, AND DESCRIBE THE PROBLEM.)

YES, R HAD PROBLEMS . . . . 1 (RECORD BELOW) |__| 27
NO, R DIDN'T HAVE PROBLEMS. 2 (Q.2)

HAND R ONE PAGE APPLICATION FORM

HAND CARD A

ITEM NUMBER	PROBLEM TYPE 1. UNDER QUEX. 2. UNDER INSTR. 3. NO DOC 4. QUEX. INAPP. 5. OTHER	DESCRIBE PROBLEM

MM
|__|__| 28 29

DD
|__|__| 30 31

YY
|__|__| 32 33

CARD
| 0 | 3 | |
10 11 12

ASK OF: ALL STUDENTS

Q.2 When the form was filled out, did you ask anyone for help who was not a member of your family? Here is a card that lists people you might have asked. Did you ask: (ASK Q.3 AND Q.4 FOR EACH "YES" IN Q.2 AFTER OBTAINING ANSWERS FOR A THROUGH H.)

HAND CARD B

		IF YES →	Q.3* What kind of help did you get? (PROBE WITH CATEGORIES IF NECESSARY)				Q.4* Were you satisfied with the help you got?		
SOURCE *2	YES %	NO %	CLARIF. OF QUEX %	INFO TO ANSWER QUEX %	ADMIN. HELP %	OTHER %	YES %	NO %	DK %
A. Someone in the Financial Aid Office?	25.0	74.5	11.4	3.8	5.1	4.2	22.0	1.9	0.3
B. A member of the faculty or counselor at the school you now attend?	7.5	91.6	3.3	0.9	1.8	1.2	6.7	0.4	0.
C. A high school counselor?.	8.3	90.7	3.2	1.2	2.3	1.3	7.1	0.6	0.1
D. Someone at a toll free telephone number?	3.7	95.4	1.4	0.7	0.7	0.6	3.1	0.3	0.
E. Someone at the Department of Education?	0.6	98.3	0.2	0.1	0.2	0.1	0.4	0.1	0.
F. Someone at the American College Test Center in Iowa (ACT)?	1.1	97.9	0.4	0.2	0.2	0.1	0.7	0.2	0.
G. Friends?.	11.8	86.8	6.1	2.1	0.9	2.0	9.7	0.9	0.3
H. Or someone else? (SPECIFY) ______	3.4	73.4	0.8	1.1	0.6	0.6	2.9	0.1	0.

Q.5 Was the form filled out without reading any of the instructions?

	%	
YES	5.8	(Q.7)
NO.	91.4	
DON'T KNOW.	2.6	(Q.7)
NA	0.2	

Q.6 Were all the instructions read when the form was filled out or were some of the instructions read when the form was filled out?

	%
All Instructions	67.2
Some Instructions	22.7
Don't Know........	1.4
N/APP.............	8.6
NA.................	0.1

Q.7 Here is a copy of the Student Eligibility Report (SER). (HAND R THE SER) Did you ever receive one of these in the mail?

HAND R SER.

	%	
YES	84.7	
NO.	8.2	(BOX 2, PAGE 5)
DON'T KNOW.	7.0	(BOX 2, PAGE 5)
NA	0.1	

*Don't Know or
Q.2 Not Ascertainable

A.	0.5%	E.	1.0%
B.	0.9	F.	1.0
C.	1.0	G.	1.4
D.	0.9	H.	23.2

Q.3 *Not Ascertainable

A.	0.6%	E.	0. %
B.	0.3	F.	0.1
C.	0.3	G.	0.6
D.	0.2	H.	0.3

Q.4 * Not Ascertainable

A.	0.8%	E.	0.1%
B.	0.4	F.	0.2
C.	0.5	G.	0.9
D.	0.2	H.	0.4

ASK OF: ALL STUDENTS

Q.8 Did you receive a (Student Eligibility Report/SER) more than once for the 1980-81 school year?

	%	
N/APP	15.3	
YES	35.9	
NO	44.0	(Q.14)
DON'T KNOW	4.7	(Q.14)

Q.9 Sometimes students who apply for financial aid are asked to explain information on a (Student Eligibility Report/SER). Did you have to explain any information?

	%	
N/APP	64.1	
YES	18.5	
NO	16.8	(Q.13)
DON'T KNOW	0.6	(Q.13)
NA	0.1	

Q.10 Sometimes students are asked to explain the information before they receive the final (Student Eligibility Report/SER) that authorizes the Financial Aid Officer to give them the grant, and sometimes they are asked to explain information after they receive the final (Student Eligibility Report/SER). Did you have to explain any information before receiving the final (Student Eligibility Report/SER), after receiving the final (Student Eligibility Report/SER), or both before and after?

	%	
N/APP	81.5	
BEFORE FINAL SER	13.0	
AFTER FINAL SER	2.4	(Q.12)
BOTH BEFORE AND AFTER	2.5	
DON'T KNOW	0.6	(Q.13)

Q.11 Did you get help from anyone outside your family when you were asked to explain information before receiving the final (Student Eligibility Report/SER)?

	%
N/APP	84.5
YES	6.4
NO	9.0
DON'T KNOW	0.

BOX 1

INTERVIEWER, CHECK Q.10 AND CODE ONE:

			%
Q.10 = 1	1	(Q.13)	13.0
Q.10 = 3	2	(Q.12)	2.5
N/APP			84.5

Q.12 Did you get help from anyone outside your family when you were asked to explain information after receiving the final (Student Eligibility Report/SER)?

	%
N/APP	95.1
YES	1.8
NO	3.1
DON'T KNOW	0.

ASK OF: ALL STUDENTS

Q.13 When the final (Student Eligibility Report/SER) was received, did you know what to do with it from the instructions that came with it, or did you ask someone outside your family what to do with it?

	%	
N/APP	64.1	
KNEW WITHOUT ASKING	28.0	(BOX 2, PAGE 5)
ASKED OUTSIDE FAMILY	7.1	(BOX 2, PAGE 5)
DON'T KNOW	0.7	(BOX 2, PAGE 5)
NA	0.1	

Q.14 Sometimes students who apply for financial aid are asked to explain information on the (Student Eligibility Report/SER). Did you have to explain any information?

	%	
N/APP	51.3	
YES	7.3	
NO	38.5	(Q.16)
DON'T KNOW	1.9	(Q.16)
NA	1.1	

Q.15 Did you get help from anyone outside your family when you were asked to explain the information?

	%
N/APP	92.7
YES	2.0
NO	5.1
DON'T KNOW	0.1
NA	0.1

Q.16 When the (Student Eligibility Report/SER) was received, did you know what to do with it from the instructions that came with it, or did you ask someone outside your family what to do with it?

	%
N/APP	51.3
KNEW WITHOUT ASKING	38.0
ASKED OUTSIDE FAMILY	7.7
DON'T KNOW	1.0
NA	1.9

ASK OF: ALL STUDENTS

SECTION B

BOX 2

In this section, I will be asking you some questions about items from your financial aid application for the 1980-81 school year. The U.S. Department of Education is very interested in finding out which items on financial aid applications people have trouble completing. As we discuss each item, please tell me about any items that gave you trouble. According to our records, the application was completed on (DATE FROM LABEL).

INTERVIEWER INSTRUCTIONS

FOR EACH VERIFICATION ITEM, FOLLOW THIS PROCEDURE:

- ASK VERIFICATION ITEM QUESTIONS ON LEFT-HAND SIDE OF PAGE.
- PROCEED ACROSS THE GRID, UNLESS OTHERWISE INDICATED, ASKING THE QUESTIONS PRINTED AT THE TOP OF THE COLUMNS FOR EACH VERIFICATION ITEM. INDICATIONS THAT YOU SHOULD NOT PROCEED ACROSS THE GRID ARE SKIP INSTRUCTIONS NEXT TO THE ANSWER CATEGORIES OF THE VERIFICATION ITEM OR SHADING IN THE BOXES UNDER THE COLUMNS FOR Q.A. OR Q.B.
- IF R INDICATES THAT HE/SHE HAD "NO DOCUMENTATION" WHEN THE FORM WAS FILLED OUT, ALWAYS PROBE (PR) WITH "HOW DID YOU FIGURE OUT THE ANSWER TO THIS QUESTION?" AND RECORD R'S RESPONSE UNDER COMMENTS.

IF R INDICATES THAT HE/SHE HAD TROUBLE WITH AN ITEM, GO BACK TO Q.1, PAGE 1, AND OBTAIN COMPLETE INFORMATION ABOUT THE TROUBLE.

INTERVIEWER DEFINITION:

BY "PARENT," WE MEAN MOTHER AND/OR FATHER, OR ADOPTIVE PARENTS. WE DO NOT MEAN FOSTER PARENTS OR GUARDIANS. IF R IS UNSURE HOW TO ANSWER ANY QUESTIONS REGARDING PARENTS, SEE GLOSSARY.

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this. %	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.17 (6) Are you a U.S. citizen? % YES.. 93.5 NO... 6.5 (Q.18) DK... 0. (Q.18)	NO DOCUMENTATION.. 36.2 BIRTH CERTIFICATE. 47.2 BAPTISMAL CERT.... 1.8 PASSPORT.......... 2.2 CERT. OF CITIZENSHIP..... 1.0 OTHER (SPECIFY) ______ 4.3 ______ LEFT IT BLANK..... 0. DK................ 0. (GO TO Q.19) NA . . . . 0.7 N/APP 6.5		COMMENTS:
Q.18 (6) Are you a permanent U.S. resident, a permanent resident of the Northern Marianas or Trust Territory, or other eligible non-citizen? % YES.... 6.2 NO..... 0.2 DK..... 0. N/APP..93.5	% NO DOCUMENTATION.. 0.5 BIRTH CERTIFICATE. 0.1 BAPTISMAL CERT.... 0. PASSPORT.......... 0.6 CERTIFICATE OF CITIZENSHIP..... 0. FORM I-151 or I-551 (ALIEN REG. REC. CARD)........... 4.4 ARRIVAL-DEPARTURE RECORD (I-94)... 0.4 ASYLUM STATEMENT.. 0.1 OTHER (SPECIFY) 0.2 ______ ______ LEFT IF BLANK..... 0. DON'T KNOW........ 0. NA .... 0.1 N/APP......... 93.5		COMMENTS:
Q.19 (7) What was your marital status on the date you signed the application? UNMARRIED (INCLUDES SINGLE, DIVORCED, OR WIDOWED).. % 88.4 MARRIED.... 8.6 SEPARATED.. 3.0			COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.20 (11) Did you live with your parents for more than six weeks during 1979 (a total of 42 days)? % YES..65.5(Q.21) NO...34.2 DK... 0.2 NA... 0.1	% NO DOCUMENTATION.15.2 RENT RECEIPTS.....5.2 LEASE AGREEMENTS..2.6 CANCELLED CHECKS..2.4 MORTGAGE NOTE.....0.3 MORTGAGE STATEMENT.......0.9 NOTARIZED STATEMENT FROM PARENTS.........0. OTHER (SPECIFY) ______________1.2 ______________ LEFT IT BLANK.....0.1 DK................0.1 NA............. 6.2 N/APP 65.5		COMMENTS:
Q.21 (11) Did you live with your parents for more than six weeks in 1980 (a total of 42 days)? % YES..61.5(Q.22) NO...38.2 DK.... 0.2 NA....0.1	% NO DOCUMENTATION.16.0 RENT RECEIPTS.....6.1 LEASE AGREEMENTS..3.6 CANCELLED CHECKS..3.2 MORTGAGE NOTE..... 0.3 MORTGAGE STATEMENT....... 1.0 NOTARIZED STATEMENT FROM PARENTS......... 0. OTHER (SPECIFY) ______________1.1 ______________ LEFT IF BLANK..... 0. DK................ 0. NA.............7.0 N/APP 61.5		COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.22 (12) Were you listed as an exemption on your parents' Federal Income Tax Return during 1979? % YES.. 51.4 NO... 31.8 PARENTS DIDN'T FILE IN 1979 .... 11.3 DK... 5.5	% NO DOCUMENTATION 18.0 1040 - LINE 6c (PARENTS)..... 1.1 1040A LINE 5c (PARENTS)..... 0.6 1040 - LINE 6c - WORKSHEET..... 2.7 1040 - LINE 5c - WORKSHEET..... 1.4 OTHER (SPECIFY) ____ 1.6 LEFT IT BLANK... 0.1 DON'T KNOW...... 0. NA........... 2.5 N/APP........ 71.8	% .... 13.9 (PR) .... 1.3 .... 0.8 .... 2.7 .... 1.6 ____ 2.7 .... 0.6 .... 1.3 .... 3.2 .... 71.8	PROBE: % Remembered/Knew......12.3 Estimated/guessed.... 0.5 Don't Know .... 0.2 NA .... 0.9 N/APP................86.1 COMMENTS:
Q.23 (12) Will you be listed as an exemption on your parents' Federal Income Tax Return during 1980? % YES..........46.8 NO...........35.8 PARENTS WON'T FILE IN 1980 ....10.6 DK........... 6.7 NA....... 0.1			COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.24 (13) Did your parents give you more than $750 worth of support in 1979? By support we mean money or things like housing, food, clothes, car, medical and dental care, and college costs. % YES....... 55.4 NO........ 42.7 DK........ 1.8			COMMENTS:
Q.25 (13) Did your parents give you more than $750 worth of support in 1980? By support we mean money or things like housing, food, clothes, car, medical and dental care, and college costs. % YES....... 51.9 NO........ 46.3 DK........ 1.7			COMMENTS:

ASK OF: ALL STUDENTS

BOX 3

INTERVIEWER, CHECK LABEL FOR RESPONDENT TYPE:

IF DS - REVIEW Q.20 THROUGH Q.25 AND CODE ONE:

IF ANY RESPONSE IS "YES".	65.0
IF ALL RESPONSES ARE "NO", "DON'T KNOW", OR "DID NOT FILE" (NOTE: DS WAS ORIGINALLY MISCLASSIFIED. FOR REST OF QUESTIONNAIRE, TREAT AS IF AN IS.).	0.6
IF IS.	34.4

INTERVIEWER NOTE:

IF STUDENT WAS MARRIED WHEN THE APPLICATION WAS FILLED OUT (Q.19 = 1), READ "OR YOUR SPOUSE" WHEREVER IT OCCURS.

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ASK OF: INDEPENDENT STUDENTS ONLY

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.26 (19) How many people will you (or your spouse) support between July 1, 1980 & June 30, 1981? Include yourself, (spouse,) and any dependent children. Include other people only if they lived with you and received more than half of their support from you when the form was filled out. N= 1488 $\bar{X}$= 2.109 SIZE OF HOUSEHOLD % NA .....0.4 N/APP..65.0			COMMENTS:
Q.27 (20) Of the people you just told me about, how many will be in college or other schools beyond the high school level between July 1, 1980 and June 30, 1981? Include yourself and anyone else who will be enrolled at least half-time. N= 1483 $\bar{X}$= 1.125 % NA.....0.5 N/APP.65.0 None.. 1.4			COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.28 (21/33) The next few questions refer to items on your (or your spouse's) Federal Income Tax Return(s). Have you (or your spouse) filed a U.S. Income Tax Return for 1979? % YES (I/WE) FILED 59.5 NO.... 39.6 (Q.37) DK.... 0.9 (Q.37)			COMMENTS:
Q.29 (22/33) When the application form was filled out, were the figures you used from a completed 1979 U.S. Income Tax Return or were they estimated? % (BOTH) COMPLETED.... 43.1 (BOTH) ESTIMATED..... 11.7 ONE ESTIMATED, ONE COMPLETED. 0.9 DK.......... 3.7 N/APP... 40.5			COMMENTS:

INTERVIEWER: IF TWO TAX RETURNS MAKE SURE YOU GET INFORMATION FROM BOTH WHEN YOU ASK ANY QUESTION RELATING TO THE TAX RETURN.

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	%	B. What (document/paper) was used when the application form was filled out? %	C. (PROBE): How did you figure out the answer to this question?	%
Q.30 (23/33) What was the total number of exemptions you (or your spouse) claimed on your 1979 U.S. Income Tax Return(s)?	NO DOCUMENTATION	29.8	10.3(PR)	PROBE:	
	1040 - LINE 7	1.1	2.4	Remembered/Knew	8.2
	1040A - LINE 6	4.8	8.7	Estimated/Guessed	1.0
	1040 - LINE 7 - WORKSHEET	4.5	6.2	Don't Know	0.3
	1040A - LINE 6 - WORKSHEET	13.9	21.0	NA	0.9
	OTHER (SPECIFY)	1.3	4.3	N/APP	89.7
N= 2455	LEFT IT BLANK	0.	0.2	COMMENTS:	
$\bar{X}$= 1.465	DON'T KNOW	0.	4.3		
NUMBER	NA	1.5	2.0		
DK % 2.4 (Q.30B)	N/APP	42.9	40.5		
N/APP 40.5					
Q.31 (24/33) What was the adjusted gross income you (or your spouse) reported on the 1979 U.S. Income Tax Return?	NO DOCUMENTATION	15.3	6.0(PR)	PROBE:	
	1040 - LINE 31	1.2	2.7	Remembered/Knew	1.7
	1040A - LINE 11	4.7	8.5	Estimated/Guessed	3.0
	1040 - LINE 31 - WORKSHEET	4.3	6.2	Consulted Professional	0.1
	1040A - LINE 11 WORKSHEET	14.2	21.1	Don't Know	0.7
	OTHER (SPECIFY)	5.1	9.9	NA	0.5
N= 1936	LEFT IT BLANK	0.	0.4	N/APP	94.0
X= 3,750	DON'T KNOW	0.	4.2	COMMENTS:	
$ AMOUNT	NA	0.2	0.6		
DK % 14.2 (Q.31B)	N/APP	54.8	40.5		
N/APP 40.5					
NA 0.1					

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.32 (24/33) Does that amount include earnings from student financial aid programs? % YES.......... 4.6 NO...........53.3 DON'T KNOW... 1.6 NA......... 0.1 N/APP.....40.5			COMMENTS:
Q.33 (25/33) How much U.S. income tax was paid by you (and your spouse) for 1979? N= 2035 $\bar{X}$= 139 $ ____________ AMOUNT DK...12.1 N/APP... (Q.33B) 40.5	% NO DOCUMENTATION.19.2 1040 - LINE 47... 1.0 1040A - LINE 14a. 4.8 1040 - LINE 47 - WORKSHEET...... 3.6 1040A - LINE 14a - WORKSHEET......13.1 W-2..............3.2 NOTARIZED STATEMENT...........0. OTHER (SPECIFY) ____________ 1.6 ____________ LEFT IT BLANK.... 0.1 DON'T KNOW....... 0.1 NA............0.7 N/APP........52.7	.... 7.4 (PR) .... 2.5 .... 8.4 .... 4.9 ....20.3 .... 7.3 .... 0.1 ____________ 2.1 ____________ ____________ .... 0.6 .... 4.7 .... 1.3 ....40.5	PROBE: % Remembered/knew..... 4.1 Estimated/Guessed... 1.9 Consulted Professional.............. 0.1 NA................. 0.7 N/APP...............92.6 COMMENTS:

Be sure to tell me if you had any trouble with any item when the grant application was filled out.

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.34 (25/33) Does that amount include the taxes paid on earnings from any student financial aid programs? % YES.. 3.2 NO... 54.5 DK... 1.5 NA.......0.3 N/APP...40.5			COMMENTS:
Q.35 (26/33) Did you itemize deductions on your 1979 U.S. Income Tax Return? % YES. 2.7 NO.. 54.9 (Q.37) DK.. 1.9 (Q.37) N/APP... 40.5			COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.36 (26/33) What was the total amount of itemized deductions for you (or your spouse) on your 1979 U.S. Income Tax Return? N=65 $ $\bar{X}$=2928 % DK. 1.1 (Q.36B) NA...0.1 N/APP... 97.3	% NO DOCUMENTATION. 0.1 1040 - SCHED. A - LINE 39........ 0.3 1040 - SCHED. A - LINE 39 - WORKSHEET...... 0.9 NOTARIZED STATEMENT...... 0 OTHER (SPECIFY) ________ 0.2 ________ LEFT IT BLANK.... 0 DON'T KNOW....... 0 N/APP......... 98.5	% .... 0.3 (PR) .... 0.4 .... 1.2 .... 0 ________ ________ 0.4 ________ .... 0 .... 0.3 NA.... 0.1 N/APP. 97.3	PROBE: % Remembered/Knew..... 0.1 NA................. 0.1 N/APP.............. 99.7 COMMENTS:
Q.37 (28/33) Next, we need to determine your total income during 1979. What was your 1979 income earned from work? If you owned a farm or business, also include income from that. N= 3744 $ $\bar{X}$= 1842 NONE. 26.8 DK... 12.8 (Q.37B) NA 0.1	% NO DOCUMENTATION 43.0 1040 - LINE 8 (13 & 19)..... 1.0 1040A - LINE 7.. 4.4 W-2 FORMS....... 11.3 1099 FORMS...... 0.1 1040 - LINE 8 (13 & 19) - WORKSHEET..... 2.6 1040A - LINE 7 - WORKSHEET..... 11.9 NOTARIZED STATEMENT..... 0.1 OTHER (SPECIFY) ________ 2.8 ________ LEFT IT BLANK... 0.7 DON'T KNOW...... 0.3 NA.......... 9.0 N/APP....... 12.9	% .... 23.9 (PR) .... 2.4 .... 7.2 .... 21.5 .... 0.1 .... 3.9 .... 17.2 .... 0.2 ________ ________ 4.5 ________ .... 3.0 .... 6.2 ...... 9.6	PROBE: % Remembered/knew..... 15.1 Estimated/Guessed... 5.9 Consulted Professional.............. 0.2 Don't Know.......... 0.8 NA.................. 1.7 N/APP............... 76.1 COMMENTS:

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ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/ paper) you have to (verify/prove) this.	B. What (document/ paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.38 (28/33) (IF MARRIED WHEN APPLICATION FILLED OUT, ASK:) What was your spouse's 1979 income earned from work? If (he/she) owned a business or farm, also include income from that. N=333 $ X̄=4593 % NONE. 2.1 DK... 0.8 N/APP.... 91.4	% NO DOCUMENTATION. 2.5 1040 - LINE 8 (13 & 19)...... 0.2 1040A - LINE 7... 0.2 W-2 FORMS........ 2.4 1099 FORMS....... 0 1040 - LINE 8 (13 & 19) - WORKSHEET...... 0.9 1040A - LINE 7 - WORKSHEET...... 0.8 NOTARIZED STATEMENT...... 0 OTHER (SPECIFY) ______ 0.2 LEFT IT BLANK.... 0 DON'T KNOW....... 0 NA........... 0.4 N/APP........92.3	.... 1.4 (PR) .... 0.3 .... 0.3 .... 2.9 .... 0 .... 1.1 .... 1.1 .... 0 ______ 0.3 .... 0.2 .... 0.3 .... 0.5 ....91.4	PROBE: % Remembered/Knew.....1.1 Estimated/Guessed.. 0.2 NA..................0.1 N/APP..............98.6 COMMENTS:
Q.39 (29a/33) Did you (or your spouse) receive any Social Security benefits in 1979? Also include any amount received for children under 18 years of age. % YES. 13.1 NO.. 86.6 (Q.41) DK.. 0.2 (Q.41)			COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.40 (29a/33) What was the total amount of Social Security benefits received in 1979? N=473 $ $\overline{X}$= 1969 % DK. 2.0 N/APP 86.9	% NO DOCUMENTATION. 8.9 SS FORM 2458..... 1.2 STATEMENT FROM SS OFFICE...... 1.7 OTHER (SPECIFY) ____ 0.6 ____ DON'T KNOW....... NA............ 0.5 N/APP......... 86.9	% ...... 4.5(PR) ...... 1.4 ...... 3.7 ____ 1.2 ____ ...... 1.3 .... 0.7 ....86.9	PROBE: % Remembered/Knew.....3.0 Estimated/Guessed.. 1.1 Consulted Professional............. 0.1 Don't Know......... 0.1 NA................. 0.2 N/APP.............. 95.5 COMMENTS:
Q.41 (29b/33) Did you (or your spouse) receive child support in 1979? (IF R IN DOUBT, PROBE: Was the check made out to you?) % YES.. 2.5 NO... 97.2 (Q.43) DK... 0.2 (Q.43) NA.. 0.1			COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.42 (29b/33) What was the total amount of child support received in 1979? N=94 $ X̄=1469 % DK. 0.3 (Q.42B) N/APP... 97.5	% NO DOCUMENTATION. 1.3 DIVORCE DECREE... 0.3 COURT ORDER...... 0.1 SEPARATION AGREEMENT...... 0.1 NOTARIZED STATEMENT...... 0. OTHER (SPECIFY) 0.2 DON'T KNOW....... 0. NA............ 0.1 N/APP.........97.8	% ....1.1(PR) ....0.4 ....0.1 ....0.1 ....0.1 0.3 ....0.2 ....0.2 ....97.5	PROBE: % Remembered/Knew...... 0.6 Estimated/guessed.... 0.3 NA.................. 0.1 N/APP................98.9 COMMENTS:
Q.43 (29b/33) Did you (or your spouse) receive Aid to Dependent Children (ADC) or other welfare in 1979? % YES. 7.1 NO.. 92.7 (Q.45) DK.. 0.1 (Q.45)			COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.44 (29b/33) What was the total amount received from ADC or welfare in 1979? N=276 \$ $\bar{X}=2534$ % DK. 0.7 .448) N/APP... 92.9	% NO DOCUMENTATION.. 4.6 PUBLIC ASSISTANCE LETTER.......... 1.1 OTHER (SPECIFY) 0.2 ____________ ____________ 0. DON'T KNOW........ 0.4 NA............ 0.4 N/APP.........93.6	% .... 3.5 (PR) .... 2.1 ______ 0.4 ______ ______ 0.5 .... 0.6 ......92.9	PROBE: % Remembered/knew.......2.3 Estimated/guessed... 0.9 Consulted Professional............... 0.1 NA.................. 0.2 N/APP................96.5 COMMENTS:
Q.45 (29b/33) Did you (or your spouse) receive veterans benefits other than educational benefits in 1979? Include Death Pension and Dependency and Indemnity Compensation (DIC) benefits. % YES. 2.0 NO.. 97.9 (Q.47) DK.. 0.1 (Q.47)			COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.46 (29b/33) What was the total amount of veterans benefits received in 1979? N=78 $\$\bar{X}=1410$ % DK. 0.2 .468) N/APP 98.0	% NO DOCUMENTATION.. 1.2 VA FORM........... 0.3 STATEMENT VA OFFICE.......... 0.3 STATEMENT VA COUNSELOR....... 0. OTHER (SPECIFY) 0.1 LEFT IT BLANK..... 0 DON'T KNOW........ 0 N/APP........ 98.2	% .... 0.7(PR) .... 0.3 .... 0.6 .... 0. 0.1 .... 0. .... 0.2 98.0	PROBE: % Remembered/knew.......0.4 Estimated/guessed.....0.2 NA....................0.1 N/APP................99.3 COMMENTS:

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ASK OF: ALL STUDENTS

Q.47 (29b/33) Did you (or your spouse) receive or earn any other income in 1979 that we haven't already talked about, such as: IF YES →	YES	NO	DK	Q.48 (29b/33) What was the total amount received from (SOURCE) in 1979?	FOR OFFICE USE ONLY
	%	%	%		
A. Unemployment compensation?........	3.0	97.0	0	N=112 $ $\overline{X}$=1125 DK........... 0.1%	|__| 13 |__|__|__|__|__| 14 15 16 17 18
B. Interest on tax-free bonds?.......	0.1	99.7	0.1	N=4 $ $\overline{X}$=47	|__| 19 |__|__|__|__|__| 20 21 22 23 24
C. Untaxed portion of pensions and capital gains?....................	0.1	99.8	0.1	N=3 $\overline{X}$=2066 $ ________	|__| 25 |__|__|__|__|__| 26 27 28 29 30
D. Living and housing allowances?....	1.1	98.8	0	N=35 $ $\overline{X}$-1496 DK........... 0.3%	|__| 31 |__|__|__|__|__| 32 33 34 35 36
E. Earnings from work not reported on a U.S. tax return?.............	3.3	96.5	0.1	N=120 $\overline{X}$=519 $ ________ DK........... 0.5%	|__| 37 |__|__|__|__|__| 38 39 40 41 42
F. *Any other income? (SPECIFY) ________	5.6	94.1	0.1	N=215 $ $\overline{X}$=1035 DK........... 0.5% NA.........0.1%	|__| 43 |__|__|__|__|__| 44 45 46 47 48 |__|__| 49 50
** G. (IF NECESSARY:) Any other income? (SPECIFY)________	0.4	98.0	0	N=14 $ $\overline{X}$=1792	|__| 51 |__|__|__|__|__| 52 53 54 55 56 |__|__| 57 58

* Ques. 47F: Not Ascertained= 0.2%
** Ques. 47G: Not Ascertained= 1.7%

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Be sure to tell me if you had any trouble with any item when the grant application was filled out.			
Q.49 (30/33) Did you (or your spouse) pay any medical or dental expenses in 1979? Do not include amounts covered by insurance or the cost of insurance premiums. % YES.. 27.1 NO... 71.3 (Q.51) DK... 1.5 (Q.51)	▨	▨	COMMENTS:
Q.50 (30/33) What was the total amount you (or your spouse) paid in 1979? N=975 $\overline{X}$=290 $ ______________ DK. 4.4 (Q.50B) N/APP... 72.9	% NO DOCUMENTATION.. 15.8 1040 - SCHEDULE A - LINES 2 & 6 (a, b, AND c)....... 0.7 CANCELLED CHECKS.. 2.5 CASH RECEIPTS..... 1.0 STATEMENT FROM DR/HOSPITAL..... 2.0 OTHER (SPECIFY) ______________ 0.3 ______________ LEFT IT BLANK..... 0.1 DON'T KNOW........ 0 NA............. 0.2 N/APP..........77.3	% .... 9.8 (PR) .... 0.9 .... 4.2 .... 3.4 .... 3.4 ______ ______ 0.3 ______ .... 2.3 .... 2.3 ..... 0.4 .....72.9	PROBE: % Remembered/Knew......4.2 Estimated/guessed....4.5 Don't Know...........0.5 NA...................0.5 N/APP...............90.2 COMMENTS:

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ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/ paper) you have to (verify/prove) this.	B. What (document/ paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.51 (31/33) Did you (or your spouse) pay for elementary, junior high, or high school tuition for children in your household in 1979? Don't include any high school tuition for yourself, if you paid any. % YES.... 1.2 NO..... 98.7(Q.53) DK..... 0 (Q.53)			COMMENTS:
Q.52 (31/33) What was the total amount you (and your spouse) paid in 1979? N=45 $\overline{X}$=507 $ ____________ % DK. 0.1(Q.52B) N/APP.98.8	% NO DOCUMENTATION.. 0.6 CANCELLED CHECKS.. 0.2 CASH RECEIPTS..... 0.1 STATEMENT FROM SCHOOL.......... 0.1 OTHER (SPECIFY) ____________ 0. ____________ 0 LEFT IT BLANK..... 0 DON'T KNOW........ 0 N/APP.........99,0	% ......0.4 (PR) ......0.3 ......0.1 ......0.1 ______ ______0 ______0 ......0 ....0.2 .....98.8	PROBE: % Remembered/knew..... 0.2 Estimated/guessed... 0.2 N/APP...............99.6 COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
During the next series of questions, I'm going to ask you to give me the amount of certain items when the application form was filled out on (DATE FROM LABEL).			
Q.53 (34/38) When the application was filled out, what was the total amount of your (or your spouse's) savings and checking accounts, excluding any amounts you received from educational loans or grants? N= 3915 $\overline{X}$= 197 $ ______ % NONE. 42.6 (Q.54) DK... 8.8 (Q.53B) NA..... 0.1	% NO DOCUMENTATION.. 24.9 BANK BOOKS........ 14.0 BANK STATEMENTS... 7.8 OTHER (SPECIFY) ______ 0.9 ______ LEFT IT BLANK..... 0 DON'T KNOW........ 0 NA............ 0.8 N/APP......... 51.5	% ..... 8.6 (PR) .....26.7 .....13.8 ____ ____ 2.0 ____ ..... 0.8 ..... 4.2 ..... 1.3 .....42.6	PROBE: % Remembered/Knew.... 3.6 Estimated/Guessed.. 4.0 Consulted Professional............. 0.1 Don't Know......... 0.3 NA................ 0.5 N/APP.............. 91.4 COMMENTS:
Q.54 (34/38) When the application was filled out, how much cash - not in savings or checking accounts - did you (or your spouse) have? Exclude any amounts received from educational loans or grants. N=3734 $\overline{X}$=15 $ ______ % NONE.. 45.8 DK.... 12.8 NA... 0.3			COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.55 (35/38) Did you (or your spouse) own a home when the application was filled out? % YES... 3.7 NO....96.2 (Q.58)			COMMENTS:
Q.56 (35/38) What was your (or your spouse's) home worth when the application was filled out? N=150 $ $\overline{X}$=25,600 DK. % (Q.56B) 0.1 N/APP.... 96.3	% NO DOCUMENTATION.. 2.0 APPRAISAL.......... 0.1 STATEMENT FROM LOCAL REAL ESTATE OFFICE... 0 TAX ASSESSMENT FORMS............ 0.5 PROPERTY INSURANCE 0.4 OTHER (SPECIFY) 0.3 LEFT IT BLANK..... 0. DON'T KNOW........ 0 NA............ 0.1 N/APP.........96.4	% .... 1.6 (PR) .... 0.3 (PR) .... 0.1 (PR) .... 0.6 (PR) .... 0.4 (PR) 0.5 (PR) .... 0. (PR) .... 0.1 (PR) ...... 0 ......96.3	PROBE: % Remembered/Knew...... 1.3 Estimated/guessed.... 1.4 Consulted Professional............... 0.3 Don't Know........... 0.1 NA................... 0.5 N/APP ....96.3 COMMENTS:
Q.57 (35/38) What was owed on the home including any unpaid mortgages and related debts when the application was filled out? N=148 $ $\overline{X}$=16,976 NONE. % DK... 0.3 (Q.57B) N/APP..... 96.3	% NO DOCUMENTATION.. 1.1 MONTHLY MORTGAGE STATEMENTS...... 0.7 MORTGAGE CREDIT STATEMENT....... 0.7 COPY OF STATEMENT OF LOANS ON PROPERTY........ 0.3 PURCHASE CONTRACT. 0.1 CANCELLED CHECKS OR RECEIPTS FOR MORTGAGE PAYMENTS........ 0.2 OTHER (SPECIFY) 0.1 0 LEFT IT BLANK..... 0 DON'T KNOW........ 0 NA............ 0.1 N/APP.........96.6	% ....0.9 (PR) ....0.9 (Q.59) ....0.8 (Q.59) ....0.4 (Q.59) ....0.1 (Q.59) ....0.2 (Q.59) 0.1 (Q.59) 0.1 (Q.59) ....0.2 (Q.59) ....0.1 ......96.3	PROBE: % Remembered/Knew...... 0.3 Estimated/guessed.... 0.4 NA................... 0.1 N/APP............... 99.1 COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.58 (35/38) Do you have anything to prove that you (and your spouse) do not own a home, such as rent receipts or a lease? % YES. 22.7 NO.. 73.3(Q.59) NA.. 0.2 N/APP.... 3.7	% RENT RECEIPTS..... 11.5 LEASE AGREEMENTS.. 5.5 CANCELLED CHECKS.. 4.5 1040 - SCHEDULE A, LINE 17 = 0..... 0.1 OTHER (SPECIFY) __________ 0.6 __________ DON'T KNOW........ 0.1 NA.............. 0.4 N/APP..........77.3		COMMENTS:
Q.59 (36/38) When the application was filled out, did you (or your spouse) have investments and/or other real estate? Investments include trust funds, stocks, bonds, and other securities. % YES. 2.5 NO..97.1(Q.62) DK.. 0.3(Q.62) NA.. 0.1			COMMENTS:

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ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.60 (36/38) What was the total value of your (or your spouse's) investments and/or other real estate when the application was filled out? N=86 \$ $\overline{X}=2396$ DK. % (Q.60B) 0.5 N/APP..... 97.5	% NO DOCUMENTATION.. 1.4 PURCHASE CONTRACTS 0. STATEMENT FROM REAL ESTATE AGENT.... 0. STATEMENT FROM STOCK BROKER.... 0. PROPERTY INSURANCE 0. OTHER (SPECIFY) ______ 0.3 ______ LEFT IT BLANK..... 0. DON'T KNOW........ 0. NA............ 0.1 N/APP........ 98.0	% .... 0.8 (PR) .... 0. .... 0. .... 0.1 .... 0. ______ 0.4 ______ .... 0.2 .... 0.5 .... 0.2 ...... 97.5	PROBE: % Remembered/Knew....... 0.5 Estimated/Guessed..... 0.3 N/APP................. 99.2 COMMENTS:
Q.61 (36/38) How much was owed on these investments and/or real estate when the application was filled out? N=101 \$ $\overline{X}=876$ % NONE 2.1 DK 0.1 (Q.61B) N/APP..... 97.5	% NO DOCUMENTATION.. 1.2 STATEMENT FROM MORTGAGE COMPANY 0.1 STATEMENT FROM BROKER.......... 0. PURCHASE CONTRACT. 0. OTHER (SPECIFY) ______ 0. ______ LEFT IT BLANK..... 0. DON'T KNOW........ 0. NA............ 0.8 N/APP......... 97.7	% .... 0.7 (PR) .... 0. .... 0.1 .... 0.1 ______ 0.1 ______ .... 0.1 .... 0.4 .... 0.9 ..... 97.7	PROBE: % Remembered/Knew...... 0.6 NA................... 0.1 N/APP................ 99.3 COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.62 (37/38) When the application was filled out, did you (or your spouse) own a business? % YES...0.4 NO...99.5(Q.65) DK....0.1(Q.65)			COMMENTS:
Q.63 (37/38) What was the value of (your spouse's or) your (or your share of the) business(es) when the application was filled out? N=13 $ $\overline{X}$=11,899 DK. % (Q.63B) 0.1 N/APP..99.6	% NO DOCUMENTATION.. 0.1 STATEMENT FROM REAL ESTATE OFFICE.......... 0. PURCHASE AGREEMENT INVENTORY ASSESSMENT............ 0. PROPERTY INSURANCE 0. OTHER (SPECIFY) ______ 0. ______ LEFT IT BLANK..... 0. DON'T KNOW........ 0. N/APP......... 99.7	% .... 0.1(PR) .... 0. .... 0. .... 0.1 ______ ______ 0. ______ .... 0. .... 0. ......99.6	PROBE: % Estimated/Guessed.... 0.1 N/APP............... 99.9 ______ COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.64 (37/38) What was the total amount of (your spouse's or) your (or your share of) mortgages or related debts for which your business(es) (was/were) used as collateral? N=15 $ $\bar{X}$=4767 NONE % DK. 0. (Q.64B) N/APP.... 99.6	% NO DOCUMENTATION.. 0.1 COPY OF MORTGAGE STATEMENT....... 0. COPY OF STATEMENTS OF LOANS AGAINST BUSINESS........ 0. OTHER (SPECIFY) ______________ 0. ______________ LEFT IT BLANK..... 0. DON'T KNOW........ 0. NA............. 0.2 N/APP......... 99.7	% .... 0.1 (PR) .... 0. .... 0. ______ ______ 0. ______ .... 0. .... 0. ...... 0.2 ......99.6	PROBE: % Remembered/Knew....... 0.1 N/APP................. 99.9 COMMENTS:
Q.65 (37/38) When the application was filled out, did you (or your spouse) own a farm? % YES. .04 NO. 99.96 (Q.68) DK.. 0.0 (Q.68)			COMMENTS:

CARD
| 0 | 9 | |
10 11 12

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.66 (37/38) What was the value of (your spouse's or) your (or your share of the) farm(s) when the application was filled out? N=2 $\bar{X}$=187,000 $ ______ % DK. 0. (Q.66B) N/APP..... 99.96	% NO DOCUMENTATION.. .02 STATEMENT FROM REAL ESTATE OFFICE........... 0. COPY OF OWNERSHIP AGREEMENT....... 0. STATEMENT OF INVENTORY....... 0. PROPERTY INSURANCE 0. OTHER (SPECIFY) ______ .02 ______ LEFT IT BLANK..... 0 DON'T KNOW........ 0 N/APP........ 99.96	% .... .02 (PR) ....0. ....0. ....0. ....0. ______ ______ .02 ______ ....0 ....0 .....99.96	PROBE: % Consulted Professional............. .02 N/APP.............. 99.98 COMMENTS:
Q.67 (37/38) What was the amount of (your spouse's and) your (or your share of) mortgages or related debts for which your farm(s) (was/were) used as collateral? N=2 $\bar{X}$=158,500 $ ______ % NONE. 0. DK 0. (Q.67B) N/APP...... 99.96	% NO DOCUMENTATION.. .02 MORTGAGE STATEMENT.0. COPY OF OUTSTANDING LOANS OR DEBTS.. .02 OTHER (SPECIFY) ______ 0. ______ LEFT IT BLANK..... 0. DON'T KNOW........ 0. N/APP........ 99.96	% .... 0. (PR) .... 0.4 .... 0. ______ ______ 0. ______ .... 0. .... 0. ......99.96	PROBE: % N/APP.................. 100 COMMENTS:

ASK OF: ALL STUDENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.68 (40) What is the amount of veterans education benefits you personally will receive per month from July 1, 1980 to June 30, 1981? Include only the benefits from the GI Bill and Veterans or Dependents Educational Assistance Programs. N=4284 $ X̄=11.96 % NONE. 95.9 (Q.70) DK. .3 (Q.68B)	% NO DOCUMENTATION. 1.8 VA FORM #8332-2A. 1.0 STATEMENT VA OFFICE.......... .9 STATEMENT VA COUNSELOR...... 0. OTHER (SPECIFY) 0.1 ________ ________ LEFT IT BLANK.... DON'T KNOW....... N/APP......... 96.2	% .... 1.2 (PR) .... 0.9 .... 1.0 .... 0.1 ________ 0.2 ________ ________ 0.1 .... 0.3 ....95.9 NA...... 0.3	PROBE: % Remembered/Knew....... 0.9 Estimated/Guessed..... 0.2 NA.................... 0.1 N/APP................. 98.8 COMMENTS:
Q.69 (40) For how many months do you expect to receive these veterans educational benefits between July 1, 1980 and June 30, 1981? N=167 X̄=9.44 (NO. OF MONTHS) % DK.. 0.2 (Q.69B) NA....0.1 N/APP..... 95.9	% NO DOCUMENTATION. 2.1 VA FORM #8332-2A. 0.9 STATEMENT VA OFFICE.......... 0.7 STATEMENT VA COUNSELOR...... 0. OTHER (SPECIFY) 0. ________ ________ LEFT IT BLANK.... 0. DON'T KNOW....... 0. NA............. 0.1 N/APP.......... 96.1	% .... 1.3 (PR) .... 0.8 .... 1.0 .... 0.1 ________ 0.1 ________ ________ 0.1 .... 0.3 .... 0.4 ....95.9	PROBE: % Remembered/Knew..... 0.9 Estimated/Guessed... 0.2 NA.................. 0.2 N/APP.............. 98.7 COMMENTS:

FOR OFFICE USE ONLY

R	INST	PERS	P	STAT	CARD	BLANK	QDISP
			2		0 1		
1	2 3 4	5 6 7	8	9	10 11	12	13 14

DATE FINALIZED

MM	DD	I	BATCH	VAL
15 16	17 18	19 20 21	22 23 24 25	26

OMB No.: 1840-0033
Expires: July 1, 1981

BASIC EDUCATIONAL OPPORTUNITY GRANT QUALITY CONTROL STUDY
PARENT QUESTIONNAIRE

AFFIX LABEL HERE

Conducted for:
Division of Quality Assurance
Office of Student Financial Assistance
U.S. Department of Education

Survey conducted by:

Westat, Inc.
1650 Research Blvd.
Rockville, Md. 20850

As part of a study conducted in affiliation with:

Advanced Technology, Inc.
7923 Jones Branch Drive
McLean, Virginia 22102

Hello, my name is (YOUR NAME) (SHOW ID BADGE). I am with Westat, Inc., a survey research firm. We are doing the U.S. Department of Education study of the problems people have with the financial aid application forms for Basic Educational Opportunity Grants. I am here to speak with (NAME OF RESPONDENT) about the application form filled out for the 1980-81 school year.

CONFIDENTIALITY AND PRIVACY

This study is being conducted according to the regulations of the Privacy Act. The primary reason for the study is to obtain information to improve the way the grant program works. However, this information will become part of the existing Basic Educational Opportunity Grant System of Records and may result in changes in the amount of your (son's/daughter's) grant. I personally have signed a statement swearing not to reveal any information you give me during this interview, except for the purpose of this study and as required by law.

TIME BEGAN: |___|___| : |___|___| AM PM

ASK OF: ALL PARENTS

SECTION A

The people who administer the Basic Educational Opportunity Grant program have found that errors sometimes happen because the forms aren't clear. We would like to learn more about any problems that you had when (BEOG RECIPIENT) applied for an educational grant for the 1980-1981 school year.

Q.1 Please take a minute to scan this financial aid application form and tell me about the items that gave you any trouble. (HAND R ONE-PAGE FORM.) (IF R HAS A PROBLEM, HAND CARD A AND ASK:) For which of the following reasons was there trouble answering this question? (FOR EACH PROBLEM, RECORD ITEM NUMBER FROM FORM, WRITE PROBLEM TYPE CODE NUMBER, AND DESCRIBE THE PROBLEM.)

YES, R HAD PROBLEMS . . . . 1 (RECORD BELOW)
NO, R DIDN'T HAVE PROBLEMS. 2 (Q.2)

|___|
27

HAND R ONE-PAGE APPLICATION FORM

HAND CARD A

ITEM NUMBER	PROBLEM TYPE 1. UNDER. QUEX. 2. UNDER. INSTR. 3. NO DOC 4. QUEX. INAPP. 5. OTHER	DESCRIBE PROBLEM

MM
|___|___|
28 29

DD
|___|___|
30 31

YY
|___|___|
32 33

CARD
| 0 | 3 | 1 |
10 11 12

ASK OF: ALL PARENTS

Q.2 When the form was filled out, did you ask anyone for help who was not a member of your family? Here is a card that lists people you might have asked. Did you ask: (ASK Q.3 AND Q.4 FOR EACH "YES" IN Q.2 AFTER OBTAINING ANSWERS FOR A THROUGH H.)

HAND CARD B

	IF YES →		Q.3* What kind of help did you get? (PROBE WITH CATEGORIES IF NECESSARY)				Q.4 * Were you satisfied with the help you got?		
SOURCE 2*	YES %	NO %	CLARIF. OF QUEX. %	INFO. TO ANSWER QUEX. %	ADMIN. HELP %	OTHER %	YES %	NO %	DK %
A. Someone in the Financial Aid Office?	6.7	90.9	2.9	1.3	1.4	0.7	5.6	0.7	0.1
B. A member of the faculty or counselor at the school (BEOG RECIPIENT) attends? . .	3.0	94.2	1.3	0.5	0.5	0.3	2.5	0.3	0.1
C. A high school counselor?. . .	5.1	92.4	2.2	0.7	1.3	0.6	4.1	0.7	0.1
D. Someone at a toll free telephone number?	2.1	95.2	1.0	0.6	.2	0.2	1.7	0.3	0.1
E. Someone at the Department of Education?	0.2	97.1	0.1	0.1	0.	0.	0.1	0.	0.
F. Someone at the American College Test Center in Iowa (ACT)?	0.8	96.5	0.4	0.1	0.1	0.1	0.7	0.1	0.
G. Friends?.	4.1	92.6	1.9	0.7	0.5	0.7	3.2	0.5	0.1
H. Or someone else? (SPECIFY) ______	3.5	73.4	0.9	1.1	0.6	0.5	2.9	0.3	0.

Q.5 Was the form filled out without reading any of the instructions?

	%	
YES	5.5	(Q.7)
NO.	64.7	
DON'T KNOW.	28.6	(Q.7)
NA.	1.2	

Q.6 Were all the instructions read when the form was filled out, or were some of the instructions read when the form was filled out?

	%
ALL INSTRUCTIONS.	50.1
SOME INSTRUCTIONS	12.3
DON'T KNOW.	2.0
NA.	0.3
N/APP.	35.3

Q.7 Here is a copy of the Student Eligibility Report (SER). (HAND R THE SER) Did you ever receive one of these in the mail?

HAND R SER

	%	
YES	42.2	
NO.	33.4	(BOX 2, PAGE 5)
DON'T KNOW.	23.7	(BOX 2, PAGE 5)
NA.	0.7	

Q.2* Don't Know or Not ascertainable

A. 2.4 %	E. 2.7%
B. 2.7	F. 2.7
C. 2.5	G. 3.3
D. 2.6	H. 23.1

Q.3* Not Ascertainable

A. 0.5%	E. 0.
B. 0.3	F. 0.1
C. 0.3	G. 0.2
D. 0.1	H. 0.3

Q.4* Not Ascertainable

A. 0.4%	E. 0.
B. 0.2	F. 0.1
C. 0.2	G. 0.2
D. 0.	H. 0.2

ASK OF: ALL PARENTS

Q.8 Did you receive a (Student Eligibility Report/SER) for (BEOG RECIPIENT) more than once for the 1980-81 school year?

	%	
YES	17.0	
NO.	20.5	(Q.14)
DON'T KNOW.	4.7	(Q.14)
NA.	0.1	
N/APP.	57.8	

Q.9 Sometimes students who apply for financial aid are asked to explain information on the (Student Eligibility Report/SER). Did you or (BEOG RECIPIENT) have to explain any information?

	%	
YES	10.5	
NO.	6.0	(Q.13)
DON'T KNOW.	0.4	(Q.13)
N/APP.	83.0	

Q.10 Sometimes students are asked to explain this information before they receive the final (Student Eligibility Report/SER) that authorizes the Financial Aid Officer to give them the grant, and sometimes they are asked to explain information after they receive the final (Student Eligibility Report/SER). Did you or (BEOG RECIPIENT) have to explain any information before receiving the final (Student Eligibility Report/SER), after receiving the final (Student Eligibility Report/SER), or both before and after?

	%	
BEFORE FINAL SER.	7.3	
AFTER FINAL SER	1.0	(Q.12)
BOTH BEFORE AND AFTER	1.5	
DON'T KNOW.	0.7	(Q.13)
N/APP.	89.5	

Q.11 Did you get help from anyone outside your family when you were asked to explain information before receiving the final (Student Eligibility Report/SER)?

	%
YES	2.8
NO.	5.8
DON'T KNOW.	0.1
NA.	0.2
N/APP.	91.2

BOX 1

INTERVIEWER, CHECK Q.10 AND CODE ONE:

	%	
Q.10 = 1	7.3	(Q.13)
Q.10 = 3	1.5	(Q.12)
N/APP.	91.2	

Q.12 Did you get help from anyone outside your family when you were asked to explain information after receiving the final (Student Eligibility Report/SER)?

	%
YES	0.6
NO.	1.8
DON'T KNOW.	0.1
NA.	0.1
N/APP.	97.5

ASK OF: ALL PARENTS

Q.13 When the final (Student Eligibility Report/SER) was received, did you or (BEOG RECIPIENT) know what to do with it from the instructions that came with it, or did you ask someone outside your family what to do with it?

	%	
KNEW WITHOUT ASKING	14.3	(BOX 2, PAGE 5)
ASKED OUTSIDE FAMILY	2.1	(BOX 2, PAGE 5)
DON'T KNOW	0.6	(BOX 2, PAGE 5)
N/APP	83.0	

Q.14 Sometimes students who apply for financial aid are asked to explain information on the (Student Eligibility Report/SER). Did you or (BEOG RECIPIENT) have to explain any information?

	%	
YES	5.0	
NO	17.3	(Q.16)
DON'T KNOW	2.2	(Q.16)
NA	0.6	
N/APP	74.8	

Q.15 Did you get help from anyone outside your family when you were asked to explain the information?

	%
YES	0.8
NO	4.1
DON'T KNOW	0.1
NA	0.1
N/APP	95.0

Q.16 When the (Student Eligibility Report/SER) was received, did you or (BEOG RECIPIENT) know what to do with it from the instructions that came with it, or did you ask someone outside your family what to do with it?

	%
KNEW WITHOUT ASKING	20.5
ASKED OUTSIDE FAMILY	2.0
DON'T KNOW	1.6
NA	1.1
N/APP	74.8

ASK OF: ALL PARENTS

SECTION B

BOX 2

In this section, I will be asking you some questions about items from (BEOG RECIPIENT'S) financial aid application for the 1980-81 school year. The U.S. Department of Education is very interested in finding out which items on financial aid applications people have trouble completing. If you assisted in filling out the application, please tell me about any items that gave you trouble. According to our records, the application was completed on (DATE FROM LABEL).

INTERVIEWER INSTRUCTIONS

FOR EACH VERIFICATION ITEM, FOLLOW THIS PROCEDURE:

- ASK VERIFICATION ITEM QUESTIONS ON LEFT-HAND SIDE OF PAGE.
- PROCEED ACROSS THE GRID, UNLESS OTHERWISE INDICATED, ASKING THE QUESTIONS PRINTED AT THE TOP OF THE COLUMNS FOR EACH VERIFICATION ITEM. INDICATIONS THAT YOU SHOULD NOT PROCEED ACROSS THE GRID ARE SKIP INSTRUCTIONS NEXT TO THE ANSWER CATEGORIES OF THE VERIFICATION ITEM OR SHADING IN THE BOXES UNDER THE COLUMNS FOR Q.A. OR Q.B.
- IF R INDICATES THAT HE/SHE HAD "NO DOCUMENTATION" WHEN THE FORM WAS FILLED OUT, ALWAYS PROBE (PR) WITH "HOW DID YOU FIGURE OUT THE ANSWER TO THIS QUESTION?" AND RECORD R'S RESPONSE UNDER COMMENTS.

IF R INDICATES THAT HE/SHE HAD TROUBLE WITH AN ITEM, GO BACK TO Q.1, PAGE 1, AND OBTAIN COMPLETE INFORMATION ABOUT THE TROUBLE.

ASK OF: ALL PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.17 (11) Did (BEOG RECIPIENT) live with you for more than six weeks in 1979 (a total of 42 days)? % YES......... 73.4 NO.......... 25.8 DK.......... 0.			COMMENTS:
Q.18 (11) Did (BEOG RECIPIENT) live with you more than six weeks during 1980 (a total of 42 days)? % YES.......... 70.2 NO........... 29.3 DK........... 0.5 NA........ 0.1			COMMENTS:
Q.19 (12) Was (BEOG RECIPIENT) listed as an exemption on your Federal Income Tax Return for 1979? % YES.. 60.4 NO... 24.9 DIDN'T FILE IN 1979. 14.0 (Q.20) DK. 0.7 (Q.20)	% NO DOCUMENTATION........ 18.4 1040 - LINE 6c.. 10.2 1040A - LINE 5c. 2.6 1040 - LINE 6c-WORKSHEET..... 32.1 1040A - LINE 5c-WORKSHEET..... 9.2 OTHER (SPECIFY)_ 0.9 __________ __________ LEFT IT BLANK... 0.1 DON'T KNOW...... 0.2 NA........... 11.5 N/APP........ 14.7	% .... 11. (PR) .... 10. .... 3. .... 27. .... 10. ______ 1. ______ ______ .... 0. .... 10. .... 12. .... 15.	PROBE: % Remembered/Knew......... 8.4 Estimated/Guessed...... 1.0 Consulted Professional................. 0.1 Don't Know............. 0.6 NA..................... 0.9 N/APP.................. 58.9 COMMENTS:

ASK OF: ALL PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.20 (12) Will (BEOG RECIPIENT) be listed as an exemption on your Federal Income Tax Return for 1980? % YES....... 56.1 NO........ 30.1 WON'T FILE IN 1980.. 12.0 DK........ 1.8			COMMENTS:
Q.21 (13) Did you give (BEOG RECIPIENT) more than $750 worth of support in 1979? By support we mean money or things like housing, food, clothes, car, medical and dental care, and college costs. % YES....... 67.8 NO........ 30.7 DK........ 1.5			COMMENTS:

ASK OF: ALL PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.22 (13) Did you give (BEOG RECIPIENT) more than $750 worth of support in 1980? By support we mean money or things like housing, food, clothes, car, medical and dental care, and college costs. % YES....... 65.1 NO........ 33.2 DK........ 1.6 NA...... 0.1			COMMENTS:

BOX 3

INTERVIEWER, CHECK LABEL FOR RESPONDENT TYPE:

IF IP - REVIEW Q.17 THROUGH Q.22 AND CODE ONE: %

IF ALL RESPONSES "NO", "DON'T KNOW", OR "DID NOT FILE" . . . .22.9 (BOX 4, PAGE 30)

IF ANY RESPONSE IS "YES" (NOTE: IP WAS ORIGINALLY MISCLASSIFIED. FOR REST OF QUESTIONNAIRE, TREAT AS IF A DP.). 4.0 (Q.23)

IF DP. 73.1 Q.23)

ASK OF: ALL DEPENDENT PARENTS

<table>
<tr><th>VERIFICATION ITEM</th><th>A. Please show me the (document/paper) you have to (verify/prove) this.</th><th>B. What (document/paper) was used when the application form was filled out?</th><th>C. (PROBE): How did you figure out the answer to this question?</th></tr>
<tr><td>Q.23 (14)
When the application was filled out, were you single, married, divorced, separated, or widowed?
SINGLE...... 1.8
MARRIED..... 48.8
DIVORCED.... 11.5
SEPARATED... 6.1
WIDOWED..... 8.6
NA......... 0.2
N/APP......22.9</td><td></td><td></td><td>COMMENTS:</td></tr>
<tr><td colspan="4">NOTE: IF "2" (MARRIED) CIRCLED IN Q.23, READ "OR YOUR SPOUSE" WHEREVER IT OCCURS.</td></tr>
<tr><td>Q.24 (17)
How many people will you (or your spouse) support between July 1, 1980 and June 30, 1981? Include yourself, (spouse,) and any dependent children. Include other people only if they lived with you and received more than half their support from you when the form was filled out.
N=2926
X̄=4.3
SIZE OF HOUSEHOLD
%
N/APP.....22.9</td><td></td><td></td><td>COMMENTS:</td></tr>
</table>

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.25 (18) Of that number, how many will be in college or other schools beyond the high school level between July 1, 1980 and June 30, 1981? Include yourself and anyone else who will be enrolled at least half-time. N=2568 $\overline{X}$=1.4 NUMBER % N/APP.......22.9 DK.......... 0.1 NA.......... 0.4			COMMENTS:
Q.26 (21) The next few questions refer to items on your (or your spouse's) Federal Income Tax Return(s). Have you (or your spouse) filed a U.S. Income Tax Form for 1979? YES (I/WE) % FILED. 66.9 NO..... 9.6 (Q.35) DK..... 0.1 (Q.35) NA.... 0.4 N/APP.22.9			COMMENTS:

CARD

\| 0 \| 4 \| __ \|
10 11 12

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.27 (22) When the application form was filled out, were the figures you used from a completed 1979 U.S. Income Tax Return or were they estimated? % (BOTH) COMPLETED....51.1 (BOTH) ESTIMATED.....11.7 ONE ESTIMATED, ONE COMPLETED. 0.5 DK.......... 3.5 NA......... 0.1 N/APP.....33.1			COMMENTS:

INTERVIEWER: IF TWO TAX RETURNS MAKE SURE YOU GET INFORMATION FROM BOTH WHEN YOU ASK ANY QUESTION RELATING TO THE TAX RETURNS.

Q.28 (23) What was the total number of exemptions you (or your spouse) claimed on your 1979 U.S. Income Tax Return(s)? N=2539 $\overline{X}$=4.5 ______ (NUMBER) % DK..... 0.8 (Q.28B) N/APP...... 33.0	% NO DOCUMENTATION 13.2 1040 - LINE 7... 8.5 1040A - LINE 6.. 2.5 1040 - LINE 7 - WORKSHEET.....30.5 1040A - LINE 6 - WORKSHEET..... 9.9 OTHER (SPECIFY) 0.7 ______ ______ LEFT IT BLANK... 0. DON'T KNOW...... 0. NA........... 0.9 N/APP........33.6	% .... 8. (PR) .... 9. .... 3. ....29. ....11. ______ 4. ______ ______ 0. .... 3. .... 1. ....33.	PROBE: % Remembered/knew........ 6.2 Estimated/Guessed...... 1.0 Consulted Professional.................. 0.1 Don't Know............. 0.3 NA..................... 0.5 N/APP.................. 91.9 COMMENTS:

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.29 (24) What was the adjusted gross income you (or your spouse) reported on the 1979 U.S. Income Tax Return? N=2363 $\overline{X}$=15,462 $______ AMOUNT % DK. 5.0(Q.29B) N/APP..33.0	% NO DOCUMENTATION. 6.4 1040 - LINE 31... 8.8 1040A - LINE 11.. 2.4 1040 - LINE 31 - WORKSHEET......30.9 1040A - LINE 11 - WORKSHEET...... 9.4 OTHER (SPECIFY) ______ 3.6 LEFT IT BLANK.... 0. DON'T KNOW....... 0. NA..............0.4 N/APP.........38.2	% .... 5.(PR) .... 10. .... 3. .... 28. .... 11. ______ ______ 6. .... 0. .... 3. .... 1. .... 33.	PROBE: % Remembered/Knew........0.8 Estimated/Guessed......3.4 Consulted Professional..............., 0.2 Don't Know............ 0.4 NA.................... 0.5 N/APP.................94.8 COMMENTS:
Q.30 (24) Does that amount include earnings from any student financial aid programs? % YES....... 0.2 NO........ 65.7 DK........ 0.7 NA...... 0.2 N/APP... 33.1			COMMENTS:

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.31 (25) How much U.S. income tax was paid by you (and your spouse) for 1979? N=2285 $\overline{X}$=1,430 $ ____________ AMOUNT % DK. 7. (Q.31B) N/APP..... 33.	% NO DOCUMENTATION. 6.3 1040 - LINE 47... 8.1 1040A - LINE 14a. 2.2 1040 - LINE 47 - WORKSHEET...... 27.6 1040A - LINE 14a WORKSHEET...... 8.4 W-2.............. 2.4 NOTARIZED STATEMENT........... 0. OTHER (SPECIFY) ____________ 4.1 LEFT IT BLANK.... 0. DON'T KNOW....... 0.1 NA........... 0.4 N/APP......... 40.2	% .... 6. (PR) .... 9. .... 3. .... 26 .... 10. .... 4. .... 0. ____________ 4. .... 0. .... 4. .... 1. ....33.	PROBE: Remembered/Knew....... 1.2 Estimated/Guessed..... 3.1 Consulted Professional............... 0.2 Don't Know........... 0.5 NA.................... 0.5 N/APP.................94.5 COMMENTS:
Q.32 (25) Does that amount include taxes paid on earnings from any student financial aid programs? % YES....... 0.3 NO........ 65.7 DK........ 0.8 NA........ 0.1 N/APP..... 33.1			COMMENTS:

Be sure to tell me if you had any trouble with any item when the grant application was filled out.

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.33 (26) Did you itemize deductions on your 1979 U.S. Income Tax Return? % YES...30.9 NO....34.7 (Q.35) DK.... 1.2 (Q.35) N/APP..... 33.1			COMMENTS:
Q.34 (26) What was the total amount of itemized deductions for you (or your spouse) on your 1979 U.S. Income Tax Return? N=1017 $\overline{X}$=5,323 $ ________ % DK. 4. (Q.34B) N/APP..... 69.	NO DOCUMENTATION....... 1.4 1040 - SCHED. A - LINE 39.. 4.8 1040 - SCHED. A - LINE 39 - WORKSHEET.... 18.0 NOTARIZED STATEMENT.... 0.1 OTHER (SPECIFY) ________ 2.0 ________ LEFT IT BLANK.. 0. DON'T KNOW..... 0. NA......... 0.2 N/APP....... 73.5	.... 3.1 (PR) .... 5.1 .... 16.8 .... 0.2 ________ ________ 2.4 ________ .... 0. .... 2.4 .... 0.5 ....69.1	PROBE: Remembered/Knew........ 0.3 Estimated/Guessed...... 2.0 Consulted Professional.................. 0.1 Don't Know............. 0.3 NA..................... 0.4 N/APP...................96.9

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.35 (28) Next, we need to determine your total income during 1979. What was your 1979 income earned from work? If you owned a farm or business, also include income from that.	%	%	PROBE: % Remembered/Knew........ 5.7 Estimated/Guessed...... 2.6 Consulted Professional................ 0.1 Don't Know............ 0.3 NA.................... 0.9 N/APP................. 90.5
	NO DOCUMENTATION.....15.	.........10. (PR)	
	1040 - LINE 8 (13 & 19)... 6.	.... 7.	
	1040A - LINE 7 2.	.... 2.	
	W-2 FORMS.....17.	.........17.	
	1099 FORMS.... 0.	.... 0.	
	1040 - LINE 8 (13 & 19) - WORKSHEET...19.	.........18.	
	1040A - LINE 7 WORKSHEET... 6.	.... 8.	COMMENTS:
N=2782 $\overline{X}$=10,088 $______________	NOTARIZED STATEMENT... 0.	.... 0.	
%	OTHER (SPECIFY) ______________	________ ________	
NONE. 13.	______________ 5.	________ 5.	
DK.. 4. (Q.35B)	LEFT IT BLANK.. 0.	.... 1.	
NA...1.	DON'T KNOW..... 0.	.... 5.	
N/APP.....	NA........... 3.	.... 4.	
23.	N/APP.......27.	.... 23.	
Q.36 (28) (IF MARRIED WHEN APPLICATION FILLED OUT, ASK:) What was your spouse's 1979 income earned from work? If (he/she) owned a business or farm, also include income from that.	NO DOCUMENTATION......10.	.... 7. (PR)	PROBE: % Remembered/Knew... 5.8 Estimated/Guessed. 1.2 Consulted Professional........... 0.1 Don't Know....... 0.3 NA............... 0.5 N/APP............ 92.6 CARD | 0 | 5 | __ | 10 11 12
	1040 - LINE 8 (13 & 19).... 3.	.... 4.	
	1040A - LINE 7. 1.	.... 1.	
	W-2 FORMS.....14.	.........14.	
	1099 FORMS..... 0.	.... 0.	
	1040 - LINE 8 (13 & 19) - WORKSHEET.... 9.	.... 9.	
	1040A - LINE 7 WORKSHEET.... 2.	.... 3.	
N=1750 $\overline{X}$=5,563	NOTARIZED STATEMENT.... 0.	.... 0.	COMMENTS:
$______________ %	OTHER (SPECIFY) ______________	________	
	______________ 3.	________ 2.	
NONE. 19.	LEFT IT BLANK.. 0.	________ 1.	
DK.. 3. Q.36B)	DON'T KNOW..... 0.	.... 3.	
N/APP.....	NA......... 4.	.... 5.	
51.	N/APP......54.	...........51.	

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.37 (29a) Did you (or your spouse) or (BEOG RECIPIENT) receive any Social Security benefits in 1979? Also include any amount received for children under 18 years of age. YES. 15. NO.. 61.5(Q.39) DK.. 0.1(Q.39) NA.. 0.4 N/APP...... 22.9			COMMENTS:
Q.38 (29a) What was the total amount of Social Security benefits received in 1979? N=485 $\overline{X}$=3,679 $________ % DK 2.(Q.38B) N/APP..85.	% NO DOCUMENTATION. 6.5 SS FORM 2458..... 1.8 STATEMENT FROM SS OFFICE......... 3.0 OTHER (SPECIFY) ________________ ________________ 1.3 DON'T KNOW....... 0.1 NA........... 0.2 N/APP........87.3	% .... 4.9 (PR) .... 1.5 .... 4.2 ________ ________ ________ 1.5 .... 2.2 .... 0.5 .... 85.0	PROBE: Remembered/Knew....... 2.9 Estimated/Guessed..... 1.4 Consulted Professional................ 0.1 Don't Know............ 0.4 NA.................... 0.2 N/APP.................95.1 COMMENTS:

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.39 (29b) Did you (or your spouse) receive any child support in 1979? (IF R IN DOUBT, PROBE: Was the check made out to you?) % YES.. 5.5 NO... 71.1 (Q.41) DK... 0.1 (Q.41) NA....0.4 N/APP.... 22.9			COMMENTS:
Q.40 (29b) What was the total amount of child support received in 1979? N=188 $\overline{X}$=2,451 $ ______ % DK. 1. (Q.40B) N/APP..... 95.	% NO DOCUMENTATION 3.0 DIVORCE DECREE.. 0.8 COURT ORDER..... 0.3 SEPARATION AGREEMENT..... 0.2 NOTARIZED STATEMENT..... 0.1 OTHER (SPECIFY) ______ 0.5 ______ DON'T KNOW...... 0. NA........... 0.1 N/APP........95.1	% ....2.5(PR) ....0. ....0.4 ....0.3 ....0. ______ ______0.7 ______0.7 ....0.1 ....94.5	PROBE: Remembered/Knew...... 1.6 Estimated/Guessed.... 0.5 Consulted Professional............... 0. Don't Know........... 0.2 NA................... 0.2 N/APP................ 97.5 COMMENTS:

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.41 (29b) Did you (or your spouse) receive any Aid to Dependent Children (ADC) or other welfare in 1979? % YES.... 5.6 NO.....71.0 (Q.43) DK..... 0.1 (Q.43) NA..... 0.4 N/APP..22.9			COMMENTS:
Q.42 (29b) What was the total amount received from ADC or welfare in 1979? N=184 $\overline{X}$=2,915 $________ % DK. 1. (Q.42B) N/APP..... 94.	% NO DOCUMENTATION. 3.1 PUBLIC ASSISTANCE LETTER......... 1.1 OTHER (SPECIFY) ________ ________ 0.5 DON'T KNOW....... 0. NA........... 0.2 N/APP........ 95.2	% ....2.3 (PR) ....1.6 ________ ________ ________0.2 ....1.1 ....0.4 ......94.4	PROBE: Remembered/Knew....... 1.2 Estimated/Guessed..... 0.7 Consulted Professional................ 0. Don't Know........... 0.2 NA................... 0.2 N/APP................97.7 COMMENTS:

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.43 (29b) Did you (or your spouse) receive veterans benefits other than educational benefits in 1979? Include Death Pension and Dependency and Indemnity Compensation (DIC) benefits. % YES... 4.1 NO... 72.5 (Q.45) DK.... 0. (Q.45) NA... 0.4 N/APP..... 22.9			COMMENTS:
Q.44 (29b) What was the total amount of veterans benefits received in 1979? N=150 $\overline{X}$=2,081 $______ % DK 0. (Q.44B) N/APP..... 96.	NO DOCUMENTATION 2.2 VA FORM......... 0.6 STATEMENT, VA OFFICE........ 0.8 STATEMENT, VA COUNSELOR..... 0. OTHER (SPECIFY) ______ 0.2 ______ LEFT IT BLANK... 0. DON'T KNOW...... 0. NA........... 0.1 N/APP........ 96.1	.... 1.6 (PR) .... 0.6 .... 0.8 .... 0. ______ ______ 0.3 ______ 0.1 .... 0.5 .... 0.1 .... 95.9	PROBE: Remembered/Knew........0.9 Estimated/Guessed......0.6 Don't Know.............0.1 N/APP..................98.4 COMMENTS:

CARD		
0	6	
10	11	12

ASK OF: ALL DEPENDENT PARENTS

Q.45 (29b) Did you (or your spouse) receive or earn any other income in 1979 that we haven't already talked about, such as: IF YES →	% N/APP NA	% YES	% NO	% DK	Q.46 (29b) What was the total amount received from (SOURCE) in 1979?	DO NOT WRITE IN THIS COLUMN
A. Unemployment compensation?.......	23. .4	5.	70	.2	$ X̄=1,079 N=212	
B. Interest on tax-free bonds?......	23. .4	.5	76	.2	$ X̄=947 N=17	
C. Untaxed portion of pensions and capital gains?..................	23. .4	2.	75	.2	$ X̄=3,084 N=62	
D. Living and housing allowances?...	23. .5	1.	75	.2	$ X̄=2,722 N=39	
E. Earnings from work not reported on a U.S. tax return?...........	23. .5	1.	75	.2	$ X̄=1,189 N=37	
F. Any other income? (SPECIFY) ______	23. .6	11.	65	.1	$ X̄=1,832 N=403	
G. (IF NECESSARY:) Any other income? (SPECIFY)______	23. 4.	1.	71	.1	$ X̄=990 N=44	

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Be sure to tell me if you had any trouble with any item when the grant application was filled out.			
Q.47 (30) Did you (or your spouse) pay any medical or dental expenses in 1979? Do not include amounts covered by insurance or the cost of insurance premiums. % YES.. 57.5 NO... 18.1 (Q.49) DK... 1.0 (Q.49) NA.... 0.4 N/APP.... 22.9			COMMENTS:
Q.48 (30) What was the total amount you (or your spouse) paid in 1979? N=1915 $\overline{X}$=787 $______________ % DK 7. (Q.48B) N/APP..... 42.	% NO DOCUMENTATION. 16.6 1040 - SCHEDULE A LINES 2 & 6 (a, b and c)....... 16.2 CANCELLED CHECKS. 8.8 CASH RECEIPTS.... 2.9 STATEMENT FROM DR/HOSPITAL.... 2.3 OTHER (SPECIFY) ______________ ______________ 3.0 LEFT IT BLANK.... 0.1 DON'T KNOW....... 0.1 NA............ 0.2 N/APP......... 49.9	% .....12.197(PR) .....14.6 .....11. ......4.4 ......3.7 ______ ______3.0 ......1.9 ......6.1 ......0.7 .....42.5	PROBE: COMMENTS:

CARD		
0	7	
10	11	12

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.49 (31) Did you (or your spouse) pay for elementary, junior high, or high school tuition for children in your household in 1979? Don't include any tuition paid for (BEOG RECIPIENT). % YES.. 9.3 NO...67.1 (Q.51) DK... 0.2 (Q.51) NA.. 0.4 N/APP..... 22.9			COMMENTS:
Q.50 (31) What was the total amount you (or your spouse) paid in 1979? N=331 $\overline{X}$=821 $ ________ % DK 1. (Q50B) N/APP..... 91.	% NO DOCUMENTATION 3.7 CANCELLED CHECKS 2.3 CASH RECEIPTS... 0.4 STATEMENT FROM SCHOOL........ 1.9 OTHER (SPECIFY) ________ 0.3 ________ 0. LEFT IT BLANK... 0. DON'T KNOW...... 0. NA.......... 0.1 N/APP.......91.3	% .... 2.4 (PR) .... 2.6 .... 0.5 .... 2.2 ________ ________ 0.3 ________ 0.3 .... 0.3 .... 0.7 ...... 0.3 ....90.7	PROBE: % Remembered/Knew...... 1.3 Estimated/Guessed.... 0.9 Consulted Professional.............. 0. Don't Know.......... 0.1 NA.................. 0.1 N/APP............... 97.6 COMMENTS:

ASK OF: ALL DEPENDENT PARENTS

<table>
<tr><th>VERIFICATION ITEM</th><th>A. Please show me the (document/paper) you have to (verify/prove) this.</th><th>B. What (document/paper) was used when the application form was filled out?</th><th>C. (PROBE): How did you figure out the answer to this question?</th></tr>
<tr><td colspan="4">During the next series of questions, I'm going to ask you to give me the amount of certain items when the application form was filled out on (DATE FROM LABEL).</td></tr>
<tr><td>Q.51 (34)
When the application was filled out, what was the amount of your (or your spouse's) savings and checking accounts, excluding any amounts received from educational loans or grants?
N=2647
$\bar{X}$=1,313
$________
%
NONE 20. (Q.52)
DK.. 7. (Q.51B)
NA.. 1.</td><td>%
NO DOCUMENTATION 16.2
BANK BOOKS...... 17.7
BANK STATEMENTS. 12.7
OTHER (SPECIFY)
____
________ 1.6
LEFT IT BLANK... 0.1
DON'T KNOW...... 0.1
NA............ 0.6
N/APP......... 51.0</td><td>........10.5(PR)
........21.7
........13.9
______
______
______ 2.6
.... 0.5
.... 5.8
...... 1.8
......43.2</td><td>PROBE: %
Remembered/Knew....... 2.6
Estimated/Guessed..... 6.1
Consulted Professional................ 0.2
Don't Know............ 0.6
NA......................1.0
N/APP..................89.5
COMMENTS:</td></tr>
<tr><td>Q.52 (34)
When the application was filled out, how much cash--not in savings or checking accounts--did you (or your spouse) have? Exclude any amounts received from educational loans or grants.
N=2405
$\bar{X}$=49
$________
%
NONE. 24.
DK.. 13.
NA.. 1.
N/APP23.</td><td></td><td></td><td>COMMENTS:</td></tr>
</table>

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/ paper) you have to (verify/prove) this.	B. What (document/ paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.53 (35) Did you (or your spouse) own a home when the application was filled out? % YES. 53.0 NO.. 23.7(Q.56) NA... 0.4 N/APP22.9			COMMENTS:
Q.54 (35) What was your (or your spouse's) home worth when the application was filled out? N=1889 $\overline{X}$=33,465 $ ____________ % DK 3. .Q.54B) A/APP.... 47.	% NO DOCUMENTATION. 27. APPRAISAL........ 1. STATEMENT FROM LOCAL REAL ESTATE OFFICE.. 1. TAX ASSESSEMENT FORMS...........13. PROPERTY INSURANCE 3. OTHER (SPECIFY) ____________ 3. ____________ LEFT IT BLANK..... 0. DON'T KNOW........ 0. NA.............. 1. N/APP...........51.	% ....24. PR) .... 2. PR) .... 2. PR) ....12. PR) .... 3. PR) ______ ______ 4. PR) ______ .... 0. PR) .... 5. PR) .... 1. ......47.	PROBE: % Remembered/Knew...... 10.6 Estimated/Guessed.... 32.7 Consulted Professional.............. 2.5 Don't Know........... 3.1 NA.................. 4.1 N/APP................ 47.0 COMMENTS:
Q.55 (35) What was owed on the home, including any unpaid mortgages and related debts, when the application was filled out? N=1947 $\overline{X}$=13,537 $ ____________ % NONE 12. DK.. 2. N/APP 47.	% NO DOCUMENTATION.21.1 MONTHLY MORTGAGE STATEMENTS.....12.4 MORTGAGE CREDIT STATEMENT...... 8.9 COPY OF STATEMENT OF LOANS ON PROPERTY....... 3.9 PURCHASE CONTRACT CANCELLED CHECKS OR RECEIPTS FOR MORTGAGE PAYMENTS....... 1.4 OTHER (SPECIFY) ____________ 2.6 ____________ 0. LEFT IT BLANK.... 0. DON'T KNOW....... 0.5 NA..............1.6 N/APP.........47.	% ....13. (PR) ....14. (Q.57) ....10. (Q.57) .... 4. (Q.57) .... (Q.57) .... 1. (Q.57) ______ ______ 3. (Q.57) ______ 0. (Q.57) .... 5. (Q.57) .... 2. ...... 47.	PROBE: % Remembered/Knew....... 7.6 Estimated/Guessed..... 3.8 Consulted Professional................ 0.2 Don't Know............ 0.5 NA.................... 0.8 N/APP................ 87.1 COMMENTS:

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.56 (35) Do you have anything to prove that you (and your spouse) do not own a home, such as rent receipts or a lease? % YES 14.5 NO. 9.2 (Q.57) NA....0.4 N/APP75.9	RENT RECEIPTS.... 7.8 LEASE AGREEMENTS. 2.5 CANCELLED CHECKS. 3.1 1040 - SCHEDULE A LINE 17 = 0.... 0.2 OTHER (SPECIFY) ________ 0.7 ________ DON'T KNOW....... 0. NA............. 0.1 N/APP.........85.5		COMMENTS:
Q.57 (36) When the application was filled out, did you (or your spouse) have investments and/or other real estate? Investments include trust funds, stocks, bonds, and other securities. % YES10.9 NO.65.4 (Q.60) DK. 0.3 (Q.60) NA..0.4			COMMENTS:

CARD
|0|8|__|
10 11 12

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.58 (36) What was the total value of your (or your spouse's) investments and/or other real estate when the application was filled out? N=383 $\bar{X}$=15,940 $______ % DK 1. (Q.58B) N/APP..... 89.	% NO DOCUMENTATION..5. PURCHASE CONTRACTS 0. STATEMENT FROM REAL ESTATE AGENT....1. STATEMENT FROM STOCK BROKER....1. PROPERTY INSURANCE 0. OTHER (SPECIFY) ________3. LEFT IT BLANK.....0. DON'T KNOW........0. N/APP........90.	% ....4. (PR) ....1. ....0. ....1. ....0. ________4. ....0. ....1. ....89.	PROBE: % Remembered/Knew....... 1.0 Estimated/Guessed..... 2.4 Consulted Professional................. 0.1 Don't Know............ 0.2 NA..................... 0.1 N/APP.................. 96.3 COMMENTS:
Q.59 (36) How much was owed on these investments and/or real estate when the application was filled out? N=402 $\bar{X}$=7,339 $______ % NONE 7. DK.. 0. (Q.59B) N/APP.... 89.	% NO DOCUMENTATION.. 5. STATEMENT FROM MORTGAGE COMPANY 1. STATEMENT FROM BROKER.......... 0. PURCHASE CONTRACT. 0. OTHER (SPECIFY) ________2. LEFT IT BLANK..... 0. DON'T KNOW........ 0. NA.............29. N/APP..........89.	% ....4. (PR) ....1. ....0. ....0. ________3. ....0. ....1. ....2. ....89.	PROBE: % Remembered/Knew....... 2.5 Estimated/Guessed..... 0.6 Consulted Professional................. 0. Don't Know............ 0.2 NA..................... 0.4 N/APP..................96.2 COMMENTS:

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/ paper) you have to (verify/prove) this.	B. What (document/ paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.60 (37) When the application was filled out, did you (or your spouse) own a business? YES. 7.6 NO..69.0 (Q.63) DK.. 0.1 (Q.63) NA.. 0.4 N/APP..... 22.9			COMMENTS:
Q.61 (37) What was the value of (your spouse's or) your (or your share of the) business(es) when the application was filled out? N=217 $\overline{X}$=22,341 $______ % DK. 2. (Q.61B) N/APP..... 92.	% NO DOCUMENTATION..3.9 STATEMENT FROM REAL ESTATE OFFICE..........0. PURCHASE AGREEMENT 0. INVENTORY ASSESSMENT............0.4 PROPERTY INSURANCE 0.1 OTHER (SPECIFY) ______ ______0.8 LEFT IT BLANK.....0. DON'T KNOW........0. NA.............0.1 N/APP.........94.3	% .... 3.3 (PR) .... 0.1 .... 0.2 .... 0.8 .... 0.2 ______ ______ ______1.0 .... 0.5 .... 1.3 ...... 0.3 ......92.4	PROBE: % Remembered/Knew...... 0.9 Estimated/Guessed.... 1.9 Consulted Professional............... 0.1 Don't Know........... 0.2 NA.................. 0.2 N/APP................ 96.7 COMMENTS:

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/paper) you have to (verify/prove) this.	B. What (document/paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.62 (37) What was the total amount of (your spouse's or) your (or your share of) mortgages or related debts for which your business(es) (was/were) used as collateral? N=251 $\overline{X}$=9,479 $__________ % NONE. 4. DK... 1. (Q.62B) N/APP.... 92.	% NO DOCUMENTATION..4.1 COPY OF MORTGAGE STATEMENT.......0.4 COPY OF STATEMENTS OF LOANS AGAINST BUSINESS........0.5 OTHER (SPECIFY) __________ __________ 0.3 LEFT IT BLANK.....0.1 DON'T KNOW........0. NA........... 1.2 N/APP........93.4	% ....3.0 PR) ....0.4 ....0.8 ______ ______ ______ 0.4 ....0.4 ....1.2 ...... 1.4 ......92.4	PROBE: % Remembered/Knew........ 2.1 Estimated/Guessed...... 0.5 Consulted Professional................. 0.1 Don't Know............. 0.1 NA..................... 0.3 N/APP..................97.0 COMMENTS:
Q.63 (37) When the application was filled out, did you (or your spouse) own a farm? % YES..3.5 NO..73.1 (BOX 4) DK..0.1 (BOX 4) NA......0.4 N/APP..22.9			COMMENTS:

CARD
| 0 | 9 | |
10 11 12

ASK OF: ALL DEPENDENT PARENTS

VERIFICATION ITEM	A. Please show me the (document/ paper) you have to (verify/prove) this.	B. What (document/ paper) was used when the application form was filled out?	C. (PROBE): How did you figure out the answer to this question?
Q.64 (37) What was the value of (your spouse's or) your (or your share of the) farm(s) when the application was filled out? N=112 $\overline{X}$=80,866 $ __________ % DK. 1. (Q.64B) N/APP....... 96.	% NO DOCUMENTATION. 1.6 STATEMENT FROM REAL ESTATE OFFICE......... 0.3 COPY OF OWNERSHIP AGREEMENT..... 0.1 STATEMENT OF INVENTORY..... 0. PROPERTY INSURANCE 0. OTHER (SPECIFY) __________ __________ 0.9 LEFT IT BLANK... 0. DON'T KNOW...... 0. NA.......... 0.1 N/APP....... 97.1	% .... 1.5 (PR) ....0.3 ....0.1 ....0. ....0. ______ ______ ______0.9 ....0.1 ....0.3 ..... 0.2 .....96.5	PROBE: % Remembered/Knew...... 0.2 Estimated/Guessed.... 1.1 Consulted Professional............... 0. Don't Know........... 0.1 NA.................. 0.1 N/APP............... 98.5 __________ COMMENTS:
Q.65 (37) What was the amount of (your spouse's or) your (or your share of) mortgages or related debts for which your farm(s) (was/were) used as collateral? N=127 $\overline{X}$=38,158 $ __________ % NONE. 1. DK... 0. (Q.65B) N/APP...... 96.	% NO DOCUMENTATION.. 1.7 MORTGAGE STATEMENT 0.5 COPY OF OUTSTANDING LOANS OR DEBTS.. 0.5 OTHER (SPECIFY) __________ 0.2 __________ LEFT IT BLANK.....0. DON'T KNOW........0. NA..............0.4 N/APP..........96.7	% .... 1.2 PR) .... 0.5 .... 0.5 ______ ______ 0.4 ______ .... 0.2 .... 0.3 ....0.4 ......96.5	PROBE: % Remembered/Knew....... 0.7 Estimated/Guessed..... 0.3 Consulted Professional................ 0. Don't Know............ 0.1 NA................... 0.1 N/APP................ 98.8 __________ COMMENTS:

STUDENT RECORD ABSTRACT

1. Student Name ____________________
(Last) (First) (MI)

2. Institution Name ____________________

3. Student ID

R	INST			PERS			S		
								0	1
1	2	3	4	5	6	7	8	9	10

4. Student SSN

			-			-				
11	12	13		14	15		16	17	18	19

5. Interviewer ____________________

20	21

6. Date

Month		-	Day		-	Year	
22	23		24	25		26	27

7. Start Time

		:		
28	29		30	31

OMB Approval No. 1840-0033

Expires: July 1, 1981

I. VALIDATION

SER Variable	Documentation	Document Source	Document Value
1. Citizenship	1.5%Yes 98.2 No 0.2 NA	0.2% Birth Certificate 0 Baptismal Certificate 0 Passport 0 Certificate of Citizenship 0.7 Form 1-151 (Alien Reg. Receipt Card) 0 INS Approval Notice or Statement of Intent 0.2 Arrival-Departure Record (I-94) 0.3 Other: ________ 98.6 N/APP	1.4 % Yes 0.04 No 98.6 N/APP
2. Live with Parents 1979	25.6%Yes 74.3 No 0.1 NA	0% Cash Receipts 0 Canceled Checks 0 Mortgage Note 0 Mortgage Statement 1.8 Notarized Statement from parents 21.2 Validation Form Item # ☐ 2.5 Other: ________ 74.5 N/APP	18.0% Yes 7.6 No 74.5 N/APP
3. Live with Parents 1980	24.7%Yes 75.2 No 0.1 NA	0% Cash Receipts 0.2 Lease Agreements 0 Canceled Checks 0 Mortgage Note 0 Mortgage Statement 1.8 Notarized Statement from parents 21.3 Validation Form Item # ☐ 1.3 Other: ________ 75.3 N/APP	17.0% Yes 7.6 No 75.4 N/APP

	SER Variable	Documentation	Document Source	Document Value
4.	Tax Exemption 1979	34.0% Yes 65.8 No 0.1 NA	11.1% 1040-Line 6c 4.1 1040A-Line 5c 0 1979 State Tax Form 1.3 Notarized Statement from parents 13.4 Validation Form Item # ☐ 3.9 Other: ______ 66.1 N/APP	23.5% Yes 10.4 No 66.0 N/APP
.	$750 Support 1979	23.9% Yes 76.0 No 0.1 NA	0% Deeds 0 Title Transfers 0 Canceled Checks 1.7 Notarized Statement from parents 21.2 Validation Form Item # ☐ 1.1 Other: ______ 76.1 N/APP	11.7% Yes 12.2 No 76.1 N/APP
.	$750 Support 1980	23.9% Yes 76.0 No 0.1 NA	0% Deeds 0 Title Transfers 0 Canceled Checks 1.6 Notarized Statement from parents 21.2 Validation Form Item # ☐ 1.0 Other: ______ 76.1 N/APP	11.6% Yes 12.2 No 76.1 N/APP
	Household Size	35.3% Yes 64.6 No 0.1 NA	11.4% 1040-Line 7 6.6 1040A-Line 6 0.1 Notarized Statement from parents 12.2 Validation Form Item # ☐ 4.9 Other: ______ 64.8 N/APP	$\bar{X} = 3.921$ (N = 1604)

SER Variable	Documentation	Document Source	Document Value
8. No. in Post-secondary Education	21.3% Yes 78.5 No 0.2 NA	0% Institutional Comm. 0.1 Notarized Statement from parents 20.4 Validation Form Item # ☐ 0.6 Other: ____ 78.9 N/APP	$\bar{X}$ = 1.549 (N = 964)
9. Marital Status		(a) (b)	(a) (b)
(a) Parent	24.5% Yes 73.2 No 2.3 NA	11.0% 1040-Lines 1-5 1.2% 3.4 1040A-Lines 1-4 7.6 7.0 Unsigned 1040 0.9	3.9% Unmarried 9.6% 16.4 Married 2.3 0.3 Divorced 0.3
(b) Student	13.4% Yes 84.5 No 2.1 NA	1.1 Unsigned 1040A 1.8 0.1 Divorce Papers 0.1 0.3 Notarized Statement 0.4 1.0 Validation Item # ☐ 1.0 0.6 Other: ____ 0.4 75.5 N/APP 86.5	0.3 Separated 0.1 0.9 Widowed 0.1 2.1 Cannot determine 0.4 76.1 N/APP 87.2
10. Nontaxable Social Security 1979	8.5% Yes 91.3 No 0.2 NA	2.8% SS Form 2458 1.2 SS Office Statement 4.1 Validation Item # ☐ 0.4 Other: ____ 91.6 N/APP	$\bar{X}$ = \$3,305 (N = 383)
11. Other Nontaxable Income 1979	11.6% Yes 88.3 No 0.1 NA	2.4% Public Assistance Statement 0.2 Child Support — Notarized Statement 0.2 VA Award Letter 0.6 VA Office Statement 7.2 Validation Form Item # ☐ 0.8 Other: ____ 88.6 N/APP	$\bar{X}$ = \$3,190 (N = 526)

SER Variable	Documentation	Document Source	Document Value
12. Total Exemptions 1979 -- -- --	30.5% Yes 69.4 No 0.1 NA	12.4% 1040-Line 7 8.0 1040A-Line 6 8.0 Unsigned 1040-Line 7 1.7 Unsigned 1040A-Line 6 0.4 Other: ______ 69.6 N/APP	$\bar{X}$ = 4.008 (N = 1383)
13. Adjusted Gross Income 1979	31.0% Yes 68.9 No 0.1 NA	12.2% 1040-Line 31 8.0 1040A-Line 11 8.1 Unsigned 1040-Line 31 1.7 Unsigned 1040A-Line 11 0.7 Other: ______ 69.3 N/APP	$\bar{X}$ = $11,966 (N = 1412)
14. Taxes Paid 1979	30.3% Yes 69.6 No 0.1 NA	11.4% 1040-Line 47 7.6 1040A-Line 14a 7.6 Unsigned 1040-Line 47 1.8 Unsigned 1040A-Line 14a 0.4 W-2 Form 0.1 Notarized Statement 0.5 Other: ______ 70.6 N/APP	$\bar{X}$ = $961 (N = 1371)
15. Medical/Dental 1979	9.2% Yes 90.7 No 0.1 NA	5.7% 1040 Schedule A-Lines 2 & 6 0.9 Canceled Checks 0.2 Cash Receipts 0.1 Validation Form Item # ☐ 0.3 Statement from hospital doctor 1.7 Other: ______ 91.1 N/APP	$\bar{X}$ = $1,115 (N = 412)

SER Variable	Documentation	Document Source	Document Value
16. Earned Income 1979			
INSTRUCTION NOTE: If parents filed joint return put figure in Father's (a) boxes and enter 9 9 9 9 9 in Mother's (b) boxes. If married student filed jointly put figure in Student's (c) boxes, and enter 9 9 9 9 9 in Spouse's (d) boxes.			
DEPENDENT STUDENT: (a) Father (Use 1st document source answer column) (b) Mother (Use 2nd document source answer column) INDEPENDENT STUDENT: (c) Student (Use 1st document source answer column) (d) Spouse (Use 2nd document source answer column)	 17.1%Yes 46.7 No 36.2 NA 20.2%Yes 43.4 No 36.4 NA 8.1%Yes 27.0 No 64.9 NA 1.6%Yes 32.2 No 66.2 NA	(a)or(c) (b)or(d) 8.7% 1040-Line 8 8.1% 5.8 1040A-Line 7 3.6 5.6 Unsigned 1040-Line 8 5.6 1.3 Unsigned 1040A-Line 7 1.1 0.9 W-2 Forms 0.5 0 1099-MISC 0 0 Notarized Statement 0.1 0.1 Validation Form Item # ☐ 0 1.0 Other: ______ 0.8 76.4 N/APP 80.2	(a) Father $\bar{X}$ = \$15,265 (N = 765) (b) Mother $\bar{X}$ = \$7,934 (N = 389) (c) Student $\bar{X}$ = \$4,660 (N = 362) d) Spouse $\bar{X}$ = \$6,340 (N = 27)
17. Total Itemized Deductions 1979	13.3% Yes 86.4 No 0.2 NA	4.3% 1040 Schedule A-Line 39 2.9 Unsigned 1040-Schedule A-Line 39 0 Notarized Statement 5.5 Other: ______ 87.2 N/APP	$\bar{X}$ = \$3,432 (N = 601)

SER Variable	Documentation	Document Source	Document Value
18. Unreimbursed Elementary/ Secondary Tuition 1979	0.4% Yes 99.5 No 0.1 NA	0.1% Canceled Checks 0.2 Cash Receipts 0.1 Statement from School 0 Validation Form Item # ☐ 0 Other: ______ 99.6 N/APP	$\bar{X}$ = $1,126 (N = 19)
19. Home Value	0.1% Yes 99.8 No 0.1 NA	0% Appraisal 0 Statement from local real estate office 0.1 Tax Assessment Forms 0 Other: ______ 99.9 N/APP	$\bar{X}$ = $31,961 (N = 4)
20. Home Mortgage	0.04% Yes 99.9 No 0.06 NA	0% Monthly Mortgage Statement 0.02 Mortgage Company Statement 0 Copy of Statement of loans on property 0 Purchase Contract 0 Canceled Checks or Receipts for mortgage payments (with amount and years) 0.02 Other: ______ 99.9 N/APP	$\bar{X}$ = $31,714 (N = 2)
21. Investments and Real Estate Value (other than home)	0% Yes 99.9 No 0.1 NA	0% Purchase Contracts 0 Statement from real estate agent 0 Statement from stock broker 0 Property Insurance 0 Other: ______ 100.0 N/APP	N/APP (N = 0)

SER Variable	Documentation	Document Source	Document Value
22. Investments and Real Estate Debts	0.02% Yes 99.90 No 0.08 NA	0%Statement from mortgage company 0 Statement from broker 0 Purchase Contracts 0 Property Insurance 0.02 Other: ________ 99.90 N/APP	$\bar{X}$ = $18,030 (N = 1)
23. Cash/Savings/ Checking Accounts	0.1% Yes 99.8 No 0.1 NA	0.02%Bank Books 0.02 Bank Statements 0.04 Other: ________ 99.90 N/APP	$\bar{X}$ = $4,942 (N = 5)
24. Business Assets	0.02% Yes 99.90 No 0.06 NA	0%Statement from real estate office 0 Purchase Agreements 0 Inventory Assessment 0 Property Insurance 0.02 Other: ________ 99.90 N/APP	$\bar{X}$ = $52,471 (N = 1)
25. Business Debts	0.04% Yes 99.90 No 0.06 NA	0%Copy of Mortgage Statement 0 Copy of Statements of loans against business 0.04 Other: ________ 99.90 N/APP	$\bar{X}$ = $43,447 (N = 2)
26. Farm Assets	0.1% Yes 99.9 No 0.1 NA	0.06%1040 Schedule F 0 Statement from real estate office 0 Copy of Ownership Agreement 0.02 Statement of Inventory 0 Property Insurance 0.02 Other: ________ 99.90 N/APP	$\bar{X}$ = $91,055 (N = 3)

SER Variable	Documentation	Document Source	Document Value
27. Farm Debts	0.1% Yes 99.8 No 0.1 NA	0.04% 1040 Schedule F 0 Mortgage Statement 0 Copy of outstanding loans or debts 0.02 Other: ______ 99.90 N/APP	$\bar{X} = \$38,400$ (N = 1)
28. Social Security Benefits per Month (Expected 1980-81 student only)	2.0% Yes 97.9 No 0.1 NA	0.9% SS Form 2458 0.2 SS Office Statement 0.5 Validation Form Item # ☐ 0.1 Other: ______ 98.1 N/APP	$\bar{X} = \$278$ (N = 87)
29. Social Security Benefits--No. of Months (Expected 1980-81 student only)	1.5% Yes 98.3 No 0.1 NA	0.7% SS Form 2458 0.2 SS Office Statement 0.4 Validation Form Item # ☐ 0.1 Other: ______ 98.6 N/APP	$\bar{X} = 8.9$ (N = 70)

NOTE: For this question and Qs. 30-32 use the answer column and answer boxes that correspond to the lettered variable (a) or (b) being checked; e.g., for VA-educational benefits use the (a) answer column and (a) answer boxes.

30. VA Benefits-Amount per month		(a)		(b)	
(a) VA-Educational Benefits	0.8% Yes 99.0 No 0.2 NA	0.1%	VA Form	0%	(a) $\bar{X} = \$203$ (N = 34)
(b) VA-Non-Educational Benefits	0.9% Yes 98.8 No 0.3 NA	0.3	VA Office Statement	0	(b) $\bar{X} = \$86$ (N = 42)
(Expected 1980-81 student only)		0	VA Counselor Statement	0	
		0.2	Validation Form Item # ☐	0.1	
		0.1	Other: ______	0	
		99.2	N/APP	99.9	

SER Variable	Documentation		Document Source			Document Value
31. VA Benefits--No. of Months			(a)		(b)	
(a) VA-Educational Benefits	0.7%	Yes	0.2%	VA Form	0%	(a)
	99.1	No	0.3	VA Office Statement	0	$\bar{X} = 7.7$
	0.2	NA	0	VA Counselor Statement	0	(N = 31)
(b) VA-Non-Educational Benefits	0.8%	Yes	0.1	Validation Form Item # ☐	0.1	(b)
	98.8	No	0	Other: ________	0	$\bar{X} = 5.9$
	0.4	NA	99.3	N/APP	99.9	(N = 33)
(Expected 1980-81 student only)						
32. DEPENDENT student's 1979 income minus Federal taxes paid			(a)		(b)	(a)
(a) Student	7.6%	Yes	0.4%	1040	0%	$\bar{X} = \$1,909$
	57.8	No	3.7	1040A	0.02	(N = 344)
	34.6	N/APP	0.1	Unsigned 1040	0	(b)
(b) Spouse	0.02%	Yes	1.3	Unsigned 1040A	0	$\bar{X} = \$360$
	63.30	No	0.4	Notarized Statement	0	(N = 8)
	36.60	N/APP	1.4	Other: ________	0	
			92.7	N/APP	99.98	
33. DEPENDENT student's savings and net assets			(a)		(b)	(a)
(a) Student	0.04%	Yes	0%	Bank documents	0%	$\bar{X} = \$225$
	65.20	No	0	Broker documents	0	(N = 2)
	34.80	N/APP	0	Insurance documents	0	(b)
(b) Spouse	0%	Yes	0.04	Other: ________	0	N/APP
	63.50	No	99.90	N/APP	100.0	(N = 0)
	36.50	N/APP				

II. ELIGIBILITY CRITERIA

Satisfactory Academic Progress (Registrar's Office)

34. Refer to the satisfactory academic progress policy collected during the interview. Was the policy followed?

95.0% Yes

1.6 No ------------------→ ☐ Resolve/account for apparent rules discrepancy.

1.2% Unresolved
0.4 Resolved
98.4 N/APP

1.5 Cannot determine
1.8 No answer

35. If resolution is necessary, documentation for conclusion.

0.1% Special policy fo students in Equ Opportunity program.
0.1 Student given special permission
99.7 N/APP

Enrollment Status (Registrar's Office)

36. For how many credit and/or clock-hours was the student enrolled at the time of the completion of the SER? For how many credit and/or clock-hours is the student currently enrolled? (Clock-hours can be expressed as clock-hours per week.)

	Credit-Hours	Clock-Hours
Course load at time of final BEOG award (1st academic term)	$\bar{X}$ = 13.9 (N = 4186)	$\bar{X}$ = 415 (N = 269)
Course load at time of final BEOG award (2nd academic term)	$\bar{X}$ = 14.1 (N = 3655)	$\bar{X}$ = 426 (N = 217)

37. Compute the student's enrollment status. The formula is: (number of credit- or clock-hours enrolled) ÷ Full-time load. If the school uses a combination of credit-hours and clock-hours, divide each by the respective full-time load. The sum of the calculations is used to determine full, three-fourths, etc., enrollment status.

Status at Time of Final Award in 1st Semester or 1st Quarter

89.5% Full
4.8 Three-fourths
3.3 Half
0.2 Less than half ---------→ ☐ Resolve 0.1% Unresolved
0.1 Resolved
99.8 N/APP
1.4 Not registered

0.2 Cannot determine - Why Not? 0.2% NA
99.8 N/APP
0.8 NA

Status at Time of Final Award in 2nd Semester or 2nd Quarter

77.7% Full
3.7 Three-fourths
2.5 Half
1.0 Less than half
12.7 Not registered

1.6 Cannot determine - Why not? 1.6% No record of enrollment status
98.4 N/APP
0.7 NA

2

38. Length of student's course of study:

0.02% Fewer than six months ---------→ ☐ Resolve 0.02% Unresolve
0 Resolved
99.90 N/APP

0.80 Six months
0.60 Seven months
82.10 Eight months to twelve months
14.80 Over twelve months
1.60 NA

39. Is the student classified as:

1

99.10% Regular degree/license/certificate
0 Visiting
0.10 Special
0 Auditing
0.04 Nondegree ---------→ ☐ Resolve 0.04% Unresolved
0 Resolved
99.90 N/APP

0.20 Cannot determine

0 Other (Specify) ______________________

0.50 NA

40. If resolution is necessary, documentation for conclusion:

N/APP

(N = 0)

41. Is there evidence that the student attends other schools as a part of a consortium arrangement?

0.5%Yes
99.3 No (SKIP TO 44.)
0.2 NA

42. Is this the student's parent school?

0.3%Yes
0 No ----------------→ ☐ Resolve
0 Cannot determine -- Why?
99.7 N/APP

43. If resolution is necessary, documentation for conclusion:

N/APP

(N = 0)

Bachelor's Degree (Registrar's Office)

44. Does the student possess a bachelor's and/or graduate degrees?

0.1%Yes ----------------→ ☐ Resolve
0.1% Unresolved
0 Resolved
99.9 N/APP

97.0 No
2.7 Cannot determine
0.2 NA

Affidavit or Statement of Educational Purpose (Financial Aid Records)

45. Is there an affidavit or signed statement of educational purpose on file for this award year?

70.7%Affidavit (notarized)
24.7 Signed Statement
4.4 Neither ----------------→ ☐ Resolve
0.2 NA
4.1% Unresolved
0.3 Resolved
95.6 N/APP

Previous Aid

46. Is the student a transfer student?

17.2% Yes
78.8 No (SKIP TO 48.)
3.6 Cannot determine
0.4 NA

47. Is there a financial aid transcript on file?

12.8% Yes

4.3 No ------------------→ ☐ Resolve 4.1% Unresolved
82.8 NA 0.2 Resolved
95.7 N/APP

48. Has the student defaulted on a Federal loan or is in repayment on a Federal grant from another school?

0.3% Yes
83.3 No
15.6 Cannot determine
0.8 NA

49. Has the student received a Federal loan or grant from this school in prior years?

47.9% Yes
51.2 No (SKIP TO 52.)
0.9 NA

50. Is the student in default on a Federal loan or in repayment on a Federal grant from this school?

0.1% Yes ------------------→ ☐ Resolve 0.08% Unresolved
0.02 Resolved
46.5 No 99.90 N/APP
1.2 Cannot determine
52.3 NA

51. If resolution is necessary, documentation for conclusion:

N/APP

(N = 0)

Completion of SER

52. Is there any evidence that the student was taking a correspondence course?

0.3% Yes
99.4 No
0.3 NA

If "Yes," the student can only be charged actual tuition and fees, and room/board can be included only for a residential period of study.

---

53. Is there any evidence that the student is incarcerated?

0.6% Yes
99.2 No
0.2 NA

If "Yes," the allowance for books is $150 and no room/board allowance is provided.

The ordinary allowance for books and miscellaneous expenses is $400. Use $400 in determining the cost of education if the responses to both Questions 52 and 53 are "No."

---

54. Determine the student's room and board arrangement. (Check one response.)

Contracts with the institution for room and board

25.8% . . . . . Full-time (SKIP TO 55.)
2.2 . . . . . Less than full-time (SKIP TO 58.)

Contracts with the institution for room only

2.1 . . . . . Full-time (SKIP TO 56.)
0.1 . . . . . Less than full-time (SKIP TO 59.)

Contracts with the institution for board only

0.3 . . . . . Full-time (SKIP TO 57.)
0.1 . . . . . Less than full-time (SKIP TO 60.)

69.0 . . . . . Lives off-campus (has neither room nor board contracts).
Uses $1,100 off-campus allowance in determining cost of education.
(SKIP TO 61.)

0.3 . . . . . NA

55. Determine the actual room and board charges for the full academic year:

$\bar{X}$ = $1,772

(SKIP TO 61.)

(N = 1,171)

56. Determine the actual charges to the student for room --

$\bar{X}$ = $789

(SKIP TO 61.)

(N = 97)

57. Determine the actual charge to the student for board --

$\bar{X}$ = $618

(SKIP TO 61.)

(N = 14)

58. Determine the actual charges to the student for weekly room and board -- $\bar{X}$ = $54 (N = 5)
and the number of days per week covered -- $\bar{X}$ = 6.6 (N = 5)

$ ☐ ÷ ☐ x 7 = $\bar{X}$ = $1,646

Actual charge of room and board | Days covered

(N = 101)

(SKIP TO 61.)

---

59. Determine the actual charges to the student for weekly room -- N/APP (N = 0)
and the number of days per week covered --
(SKIP TO BOX BELOW 60.)

60. Determine the actual charges to the student for weekly board -- N/APP (N = 0)
and the number of days per week covered --

$ ☐ ÷ ☐ x 7 = $\bar{X}$ = $769

Actual charge of room or board | Days covered

(N = 11)

---

61. Is the SER valid?

70.2% Yes (SKIP TO 63.)
28.1 No ----------------→ ☐ Resolve
1.7 NA

26.4% Unresolved
1.4 Resolved
72.2 N/APP

62. For which of the following reasons is the SER invalid? (Check all that apply.)

4.3% Photocopy
0.2 No SEI
19.5 SER is not signed by FAO
1.3 Other (Specify) ____________________
74.7 N/APP

63. a) What is the SEI? $\bar{X} = 432$

(N = 4,503)

b) What is the transaction number? $\bar{X} = 1.8$
(N = 4491)

(two figures - bottom right-hand corner of SER)

c) Total Education Cost from SER $\bar{X} = \$3,182$
(N = 3,900)

d) Scheduled Award from SER $\bar{X} = \$1,072$
(N = 3,905)

e) Expected Disbursement from SER $\bar{X} = \$987$
(N = 3,885)

64. Full-Time Tuition and Fees (See Q.38.) If course is over 12 months, multiply full-time T & F by 12 ÷ number of months.) $\bar{X} = \$1,424$
(N = 4,511)

III. PACKAGING - (Complete only if student received aid other than BEOG.)

65. Student's academic year budget for campus-based aid is: $\bar{X}$ = \$5,051 (N = 2,748)

66. Expected family contribution as determined by institution for award purposes:

Calculated parental contribution (If negative put "-" in first box.) $\bar{X}$ = \$274 (N = 2,487)

Student's summer earnings (NON-CWS) $\bar{X}$ = \$418 (N = 2,568)

Student's contribution from assets $\bar{X}$ = \$78 (N = 2,377)

Student's academic year earnings, exclusive of CWS or other aid. $\bar{X}$ = \$334 (N = 2,241)

Other (Specify) ________________ $\bar{X}$ = \$2,331 (N = 378)

____

67. Did the student reject or refuse any financial aid?

3.1% Yes If Yes, what aid and what amounts?

Type of Aid: ______________________________

Amount: $\bar{X}$ = \$842 (N = 141)

Type of Aid: ______________________________

Amount: $\bar{X}$ = \$1,190 (N = 7)

57.6 No
1.8 Cannot determine
37.6 No answer

68. TYPES AND AMOUNTS OF FINANCIAL AID RECEIVED: (All amounts should be for the current academic year; if shown for only one semester, double all amounts. Please specify all "Other" kinds of assistance received by the student, and code the SOURCE of each using the following codes. If data are not available, code = 9999. DO NOT RECORD AID THAT WAS REFUSED.)

1 = State grant
2 = Institutional grant - need-based
3 = Institutional grant - ability-based
4 = Tuition remission
5 = Private, noninstitutional grant
6 = Other Federal grant
7 = Other non-Federal loan
8 = Other or source unknown

Basic Educ. Opp. Grant (BEOG) . . . . $\bar{X}$ = \$1,025
(N = 3,017)

Supplemental EOG (SEOG) . . . . $\bar{X}$ = \$265
(N = 2,655)

Nat'l. Direct Student Loan (NDSL). . . . . $\bar{X}$ = \$348
(N = 2,638)

College Work-Study (CSW) . . . . $\bar{X}$ = \$498
(N = 2,622)

Guaranteed Student Loan (GSL) . . . . $\bar{X}$ = \$571
(N = 2,511)

Other (Specify) ____________________ . . . . $\bar{X}$ = \$818
(N = 2,106)

____

Source Code

Other (Specify) ____________________ . . . . $\bar{X}$ = \$790
(N = 772)

____

Source Code

Other (Specify) ________________________ . . . . $\bar{X} = \$657$
(N = 162)

____

Source Code

Other (Specify) ________________________ . . . . $\bar{X} = \$602$
(N = 28)

____

Source Code

IV. DISBURSEMENTS (Business Office)

Record BEOG disbursements only. If ADS, SKIP TO 76.

69. Disbursements made:

Credited to Account	Cash Payment	Date
$\bar{X} = \$296$ (N = 4484)	$\bar{X} = \$149$ (N = 4478)	
$\bar{X} = \$293$ (N = 3839)	$\bar{X} = \$134$ (N = 3,832)	
$\bar{X} = \$128$ (N = 1013)	$\bar{X} = \$150$ (N = 1013)	

70. Was more than one-half of the BEOG award disbursed in the first payment period or more than one-third for quarter system schools (e.g., before the midpoint of an eight-month program, in the first semester of a two-semester academic year, etc.)?

3.0% Yes ------------------→ ☐ Resolve

2.8%	Unresolved
0.2	Resolved
97.1	N/APP

90.8 No

6.2 No Answer

71. Future disbursements scheduled:

Amount	Date - (Month/Year)
$\bar{X} = \$70$ (N = 2147)	
$\bar{X} = \$6$ (N = 1694)	

V. OVERPAYMENTS, REFUNDS, REPAYMENTS (Business Office)

72. Was a determination made that the student was overpaid?

5.7% Yes
90.8 No (STOP HERE.)
3.5 No Answer

73. How much? $\bar{X} = \$195$
(N = 242)

74. Why?

0.3% Student misreport
0.9 Institutional error
1.8 Student changed course load
0.2 Cannot determine
2.3 Other (Specify) ______________________
94.1 N/APP
0.5 No Answer

75. How did the institution attempt to recover the funds? (Check all that apply.)

0.6% Award adjustment
3.2 Debited student account
0 Turned case over to collection agency(s)
0.4 Called student
0 Called parent(s)
0 Referred to ED
0.3 Did nothing
0.3 Cannot determine
1.1 Other (Specify) ______________________
94.1 N/APP
____
0 No answer

Complete Questions 76-83 if a refund is indicated.

76. What is the base amount (usually tuition and fees, and living expense if on campus) subject to refund?

$\bar{X}$ = \$1,444
(N = 43)

0.02% Cannot determine - Why? ______________________________
99.90 No answer

77. What percent of this is subject to refund according to institution policy?

$\bar{X}$ = 76%
(N = 41)

0% Cannot determine - Why? ______________________________
99.9 No answer

78. What was the student's calculated refund?

$\bar{X}$ = \$702
(N = 42)

0.02% Cannot determine - Why? ______________________________
99.90 No answer

79. What was the amount credited to the BEOG fund?

$\bar{X}$ = \$895
(N = 44)

0.1% Cannot determine - Why? ______________________________
99.8 No answer

80. Does the institution appear to have followed its policy?

0.9% Yes
0 No
0 Cannot determine
99.0 No answer

Comment: ____

81. Was a repayment computed?

0.4% Yes - How much? $\bar{X} = \$194$ (N = 19)
0.2 No
0 Cannot determine
99.3 No answer

Comment: ____________________

82. How was the repayment computed? ____________________

____

____

83. Does the institution appear to have followed its policy?

0.50% Yes
0.02 No ------------------→ ☐ Resolve
0.02% Unresolved
0 Resolved
99.90 N/APP

0 Cannot determine
99.50 No answer

INSTITUTIONAL INTERVIEW FORM

1. Institution ______________________________

R ☐ INST ☐☐☐ ☐☐☐ 01

2. Interviewer ______________________________ ☐☐

3. Date MONTH ☐☐ - DAY ☐☐ - YEAR ☐☐

4. Start Time ☐☐ : ☐☐

TYPE OF INSTITUTION:

90.5%	Regular Disbursement System (RDS)
9.5	Alternate Disbursement System (ADS)

50.2%	Public
31.1	Private nonprofit
18.7	Proprietary

26.6%	University
23.0	Other four year
34.4	At least two year, less than four year
3.9	At least one year, less than two year
12.1	At least six months, less than one year

I. ELIGIBILITY DETERMINATION

Calendar Year Criteria

1. What type of academic calendar is used?

58.4%	Semester
2.3	Trimester
21.0	Quarter
15.1	Clock-hour
3.3	More than one

Full-Time/Part-Time Criteria

2. What system of credit measurement is used?

18.1%	Clock-hours
78.3	Credit-hours
2.0	Combination
1.6	Units

3. What is the minimum number of units per term for a full-time student?

Clock-hours $\bar{X} = 749$ (N = 53)

Credit-hours $\bar{X} = 12$ (N = 247)

4. What is the minimum number of units per term for a half-time student?

Clock-hours $\bar{X} = 385$ (N = 24)

Credit-hours $\bar{X} = 5$ (N = 254)

5. If a grade point or quality point average is completed, how much are the various grades worth?

	Points	Other Quality Indicators	Numerical Value
A	☐☐☐	________	☐☐☐
B	☐☐☐	________	☐☐☐
C	☐☐☐	________	☐☐☐
D	☐☐☐	________	☐☐☐
F	☐☐☐	________	☐☐☐

Eligible Program Criteria

6. Does your institution offer any programs of study considered ineligible for award under the BEOG definition of program eligibility?

31.0%	Yes (List) . . . .
69.0	No (SKIP TO 8.)
0	Cannot determine

3.0%	Medical and dental programs
17.8	Adult education and continuing education program
7.9	Other vocational education programs
1.6	Programs not eligible because of length
0.7	Combination of above answers
69.0	Not applicable--all programs eligible

7. What is your procedure to determine whether the student is enrolled in a program eligible for BEOG funding?

3.6%	Admissions office
8.2	Computer system
5.6	Financial aid officer checks file
1.6	Enrollment agreement
0.3	ADS approval
2.6	Check with registrar
1.6	Financial aid officer receives notice from programs
6.6	No procedure indicated
69.8	Not applicable--all programs eligible

Validation Mandated by ED

8. How many students at your institution have been selected for validation by ED in 1980-81?

Students $\bar{X} = 144$
$(N = 300)$

1.6% Cannot determine

0 No answer

9. How many students have not responded to the request for documentation?

Students

0 Cannot determine

0 No answer

Institutional Validation

10. Do you as an institution select some Basic Grant recipients for validation?

54.4% Yes
45.6 No. Why not? . . .

14.4% Insufficient staff
16.4 Do not see the need for it
5.6 Never considered it
4.6 Not applicable--ADS
0.7 Do not know procedure
54.4 Not applicable--do not select students for validation
3.9 No answer

(SKIP TO 14.)

11. How do you determine which students to validate? NOTE: If school has a written policy, get a copy.

10.2% Validate all BEOG students
0.6 Randomly sample
5.2 Use selective criteria
27.5 Suspicious circumstances
1.3 Match SER with another student aid form
2.0 Only validate those who apply for campus-based aid
4.6 Combination of above answers
48.5 Not applicable--do not select students for institutional validati

12. For about how many Basic Grant eligibles have you required documentation as a result of your institutional validation procedures during this year?

Students $\bar{X} = 151$
(N = 151)

0% Cannot determine

2.0 No answer

48.5 Not applicable-- do not select students

13. Approximately what percent and what number of the Basic Grant eligibles who were chosen for institutional validation had their awards altered as a result of validation?

$\bar{X} = 31\%$ (N = 146)

$\bar{X} = 55$ (N = 146)

0% Cannot determine
3.6 No answer
48.5 Not applicable--do not select students for institutional valid.

14. What types of documentation of income are routinely collected by your financial aid office?

(a) All aid recipients		(b) All BEOG students selected for institutional validation
60.7%	None	6.2%
0.7	Agency statements of nontaxable income	0.3
1.6	IRS-Certified Fed. income tax ret.	2.6
20.8	Copy of filer's Fed. income tax ret.	19.0
0	W-2 statements	0
0	State income tax returns	0
0	Any tax form student has available	0
0	Agency statements of ed. benefits	0
16.1	Combination of above answers	21.0
	Not applicable--do not select students	50.8

15. What types of documentation of assets and debts are routinely collected by your Financial Aid Office?

(a) For all aid recipients		(b) For all BEOG students selected for institutional validation
89.4%	None	31.1%
0.3	IRS-Certified Fed. income tax ret.	0.1
5.6	Copy of filer's Fed. income tax ret.	8.2
0.7	Statements of property values of home, business, or farm	0.1
0	Lawyer/accounting statements	0
0	Real estate company statements	0
0	Tax assessments	0
0	Notes	0
0.3	Payment notices	0
1.0	Bank statements	0.1
1.0	Other	2.3
1.6	Combination of above answers	3.3
	Not applicable--do not select students	52.1

Citizenship Criteria

16. How often does your institution require documentation of citizenship/residency?

15.7%	Always
35.7	Only for certain groups of students (permanent residents)
20.0	Only for suspected students
21.0	Never (SKIP TO 19.)
2.3	Cannot determine
3.0	For certain groups *and* suspected students
2.3	NA

17. For about how many students have you required documentation of citizenship/residency during this year?

Students $\bar{X} = 142$
(N = 221)

0 Cannot determine
0 No answer

18. What types of documentation are collected?

39.7% Form 1-151 or Form 1-551 Alien Registration Receipt ("green card")
0.3 Birth certificate
0 Baptismal certificate
1.6 INS form
5.9 I-94 Arrival-Departure document (political refugee status)
7.2 Other
20.3 Combination of above answers
24.9 Not applicable--do not require documentation of citizenship

VA Assistance Criteria

19. Is the financial aid office routinely provided information on all student VA assistance and/or changes to such assistance? (Information may be provided by any source, i.e., VA or students.)

50.5% Always
9.2 Sometimes
11.5 Only when requested
26.6 Never (SKIP TO 23.)
0 Cannot determine
2.0 No answer

20. Who provides that information?

9.5% Registrar
28.5 VA office on campus
3.6 Other campus office
16.5 VA regional office
4.9 Student obtains information from VA office
5.9 Student (no mention of VA office)
2.3 Combination of above answers
26.6 Not applicable--aid office receives no info. on VA assistanc
2.0 No answer

21. How often do you use this information to verify SER data?

29.5% All of the time
28.5 Some of the time
13.1 None of the time
2.0 No answer
26.6 Not applicable--aid office receives no info. on VA assistance

22. About how many corrections were there this year as a result of VA assistance information?

Corrections $\bar{X} = 9$
(N = 204)

Reporting Discrepancies to ED

23. How often do you refer suspected or apparent SER discrepancies to ED for validation and resolution?

2.0%	Always
26.2	Sometimes
63.0	Never
0.9	Cannot determine
7.9	No answer

24. For which of the following reasons have you not referred apparent or suspected discrepancies to ED? (Circle all that apply.)

73.4%	Resolved in-house
1.6	Wasn't aware of this option
1.0	Referred cases before without results
0.3	Not enough time available to prepare referral
21.9	Combination of above answers
2.0	Not applicable--all cases are referred to ED

25. How many cases have you referred this year to ED?

Students $\bar{X} = 4.8$
(N = 300)

II. PROCESSING ELIGIBLES

Satisfactory Academic Progress

26. What are your criteria for a student's maintenance of "satisfactory academic progress?" Note: Get a copy, if possible.

22.6%	2.0 G.P.A. average (on a 4.0 scale)
6.6	1.0 - 2.0 average
18.7	Floating scale
14.1	If student is registered, satisfactory progress is assumed
13.4	Complete required number of credit hours (no G.P.A. requirement)
19.0	Complete required number of credit hours and maintain required G.P.A.
2.6	Other
2.9	No answer

27. Which office actually determines if a student is making satisfactory academic progress for purposes of BEOG award eligibility?

12.1%	Dean's office
46.6	Financial aid
14.8	Registrar
1.6	Academic advisory/standards office
3.3	Academic review committee
4.9	Director of school
1.0	Financial aid officer and academic officer
11.5	Combination of above answers
4.3	No answer

28. How often is it done?

45.2%	Each semester
17.7	Each quarter
10.8	Annually
4.3	Monthly
3.6	Weekly, or more often
5.6	Semi-annually regardless of system of credit measurement
9.8	Other
1.0	Not applicable--academic progress is never monitored routinely
2.0	No answer

29. What procedure do you use to check that these criteria have been met?

36.7%	Check grades
14.4	Check that student is registered
9.3	Check hours or credits completed
3.1	Check attendance and grades
10.0	Check institution's probation list
1.7	Check attendance
3.8	Academic committee decides
19.6	Check hours or credits completed and grades
0.3	Personal knowledge
1.0	Computer hold system

Enrollment Status

30. Do you check the student's enrollment status before computing (or certifying) an award?

89.2% Yes. How? . . .

- 50.8% Check with registrar
- 1.3 Check with other on-campus office
- 4.3 Check student's financial account
- 2.6 Check financial aid application
- 1.3 Student signs statement
- 4.6 Check enrollment agreement
- 0.3% Class schedule is attached to SER
- 11.8 Use computer system
- 0.7 Check with instructor(s)
- 3.9 Personal knowledge
- 10.8 Not applicable--do not check status
- 7.5 No answer

10.8 No - For about how many students this year have you computed (or certified) awards without checking the student's enrollment status?

$\bar{X}$ = 638
(N = 33)

Why? . . . .

- 1.6% ADS school
- 8.5 Assume full time for all students
- 0.3 Did not think it was necessary
- 89.2 Not applicable--check status before computing award

31. Do you check a student's enrollment status before each payment is disbursed (or certified)?

95.5% Yes
5.2 No - For about how many students this year have payments been disbursed (or certified) without checking the student's enrollment status?
2.3 No answer

$\bar{X}$ = 461
(N = 13)

Affidavit of Educational Purpose or Signed Statement

32. Do you require a student to complete a notarized Affidavit of Educational Purpose rather than a signed statement?

55.4% Always
25.6 Sometimes
2.0 Rarely
16.1 Never
1.0 No answer

Previous Loans or Grants

33. Do you determine whether a student owes monies on previous BEOG, SEOG, or SSIG grants made at your institution before making any disbursements (or certifications)?

- 90.8% Yes - How? . . . .
  - 28.5% Check with business or registrar's office
  - 14.1 Computer hold system
  - 3.9 Personal knowledge
  - 17.7 Check student's financial aid file
  - 3.0 Collect statement from student
  - 16.4 Check account record in financial aid office
  - 1.0 Not applicable--ADS
  - 2.0 Other
  - 8.5 Not applicable--do not make determination before disburse
  - 4.9 No answer
- 8.5 No
- 0.3 Cannot determine
- 0.3 No answer

34. Do you determine whether a student is in default on any GSL, FISL, or NDSL loans made for attending your institution before making any BEOG disbursements (or certifications)?

NDSL		GSL/FISL	
76.1%	Yes	63.9%	Yes
15.7	No	30.5	No
0.7	Cannot determine	2.0	Cannot determine
7.5	No answer	3.6	No answer

35. How do you obtain information regarding default? (Read categories and circle all that apply.)

- 4.6% From students
- 57.4 By a record check
- 5.6 Receive info. from other institution(s)
- 0.7 Personal knowledge
- 5.2 Not applicable--ADS or do not obtain info.
- 23.3 Combination of above answers
- 3.3 No answer

36. Do you collect statements testifying to the fact that they have not defaulted on their FISL, GSL, or NDSL loans or that they owe any BEOG funds to other institutions?

- 63.0% Yes - How? . . . .
  - 28.9% Require financial aid transcripts transfer students
  - 14.1 Students sign statement on award letter
  - 13.1 All students sign affidavit or statement
  - 1.0 Require statement from previous institution
  - 0.3 Check with state agencies
  - 4.9 Combination of above answers
  - 0.7 No answer
  - 37.0 Not applicable--do not collect statements
- 37.0 No

Bachelor's Degree

37. Do you check whether a student has received a bachelor's degree before making a BEOG award (or certification)?

88.2% Yes
11.1 No (SKIP TO 39.)
0.7 Cannot determine

38. How do you make this determination?

26.6% Check with the registrar's office
9.5 Collect a signed statement from the student
12.1 Check with the admissions office
4.9 Check financial aid transcript (transfer students)
12.5 Check original BEOG application
3.9 Check academic transcript (transfer students)
4.9 Ask student
5.2 Check financial aid records
2.9 Check with registrar's office and other on-campus office
4.6 Combination of above answers
11.1 Not applicable--do not check for bachelor's degree

Cost of Education

39. What procedures do you use for determining whether a student is living on- or off-campus for purposes of BEOG cost computations?

8.9% Check computer interface with housing or student data base records
27.7 Information provided by on-campus office
6.6 Information provided by student
3.0 School makes no distinction and uses $1,100 off-campus cost for everyone, even if they live on campus
3.0 Combination of above answers
49.2 Not applicable--all students live off campus or all live on campus or tuition is greater than $3,600
1.6 No answer

Award Computation

40. At what points during the award year do you recalculate the student's expected disbursement? (Circle all that apply.) *

42.3% Before each disbursement
67.9 When enrollment status changes
0 Cannot determine
4.9 Once each term
1.6 Between first and second terms
0.1 When student withdraws
0.1 More than four times a year
7.2 Not applicable--ADS calculates
1.6 Never recalculate
0.1 Once halfway through program (clockhour schools)
4.6 When housing or residency (in-state out-of-state) status changes
3.6 When SEI changes
0.1 NA

*Percentages do not total 100 percent due to double counting

41. Are awards calculated manually or by computer?

73.8%	Manually
11.5	Computer
6.6	Combination
7.9	Not applicable--ADS
0.3	No answer

42. Which of the following staff members do scheduled award calculations? (Circle all that apply.)

81.0%	Professional staff
27.9	Clerical staff
5.9	Student clerks
2.3	Peer counselors
0	Cannot determine
2.0	Computer
1.3	Paraprofessional or technical personnel
8.2	Not applicable--ADS
2.3	Combination of above answers

43. Does your institution routinely reverify the calculation?

73.1%	Yes
19.3	No
0	Cannot determine
0.3	No answer
7.2	Not applicable--ADS

44. How does your institution reverify award calculations? (Check all that apply.)*

31.1%	By same person rechecking work
48.9	By professional staff member
19.7	By clerical staff member
9.5	By computer
0	Cannot determine
1.6	Business office
0.3	Financial aid office and business office
1.0	Combination of above answers
7.2	Not applicable--ADS
6.6	Not applicable--do not reverify

*Percentages do not total 100 percent due to double counting

III. DISBURSAL

Disbursement of BEOG Awards

45. How frequently are payments disbursed to eligible recipients?

4.9% Monthly
0 Bi-monthly
11.1 Quarterly (every three months)
50.0 Once per term (semester, trimester, quarter)
11.5 Beginning and midpoint of each academic term or payment period
0.3 Depends on amount of BEOG
2.0 More than twice a semester
8.5 ADS--disbursed twice a year
1.0 RDS--disbursed twice a year
0.3 Disbursed "on demand"
0.6 Depends on the student's program
0.7 No answer

46. In what form are disbursements made? (Circle all that apply.) *

27.5% Check to student for the full amount (each payment period)
13.8 Check to student which must be endorsed over to school
75.4 Credited to student account
0 Credited to student account, balance disbursed to student by check
0.7 School uses all the above disbursement systems
2.0 One check endorsed over to institution, balance disbursed to student by check
1.6 School uses a voucher system

---

* Percentages do not total 100 percent due to double counting

Refund and Repayment

NOTE: Get copy of refund and repayment policy.

47. For which of the following reasons has your institution had BEOG overpayments this year? (Circle all that apply.)

		Approximately how many?
5.2%	Ineligible student	$\bar{X} = 7.3$ (N = 69)
13.1	Calculation error	$\bar{X} = 14.4$ (N = 118)
26.9	Student reduced course load	$\bar{X} = 69.7$ (N = 133)
26.2	Dropout	$\bar{X} = 40.4$ (N = 171)
3.0	ED validation	$\bar{X} = 12.3$ (N = 39)
19.7	None	
1.3	$50 Federal reduction to $1,750	$\bar{X} = 37.4$ (N = 34)
0.7	Failure to make satisfactory academic progress	
0.3	Typing or transcribing error	
0.7	Other institutional error	
0.3	Change in residency status	
2.6	No answer	

48. How do you usually attempt to recover overpayments? (Circle all that apply.)

		Approximately how many?
25.9%	Deduct from student's next payment(s)	$\bar{X} = 43.2$ (N = 107)
2.9	Obtain signed agreement from student for repayment	$\bar{X} = 27.8$ (N = 34)
37.0	Bill student	$\bar{X} = 49.6$ (N = 157)
3.0	Do not recover payment, but suspend next scheduled payment	$\bar{X} = 31.8$ (N = 35)
1.3	Don't attempt to recover overpayment	
0.7	Ask for repayment; conference with student	$\bar{X} = 0.8$ (N = 6)
4.6	Institution restores funds to BEOG account, then may or may not collect from student	$\bar{X} = 44.0$ (N. = 46)
5.9	Report it to ED (ADS school)	
7.9	Debit student's account	
10.8	No answer	

49. Tell me the percents of each of the following categories of cost your institution refunds to students who leave school before term's end. Your numbers should reflect refunds prior to financial aid payment adjustments.

Week		Tuition	Fees	Room	Board
1	$\bar{X}$ =	79%	46%	39%	49%
	N =	274	242	136	112
2	$\bar{X}$ =	66%	51%	87%	44%
	N =	263	231	144	106
3	$\bar{X}$ =	47%	26%	25%	35%
	N =	254	216	126	104
4	$\bar{X}$ =	35%	20%	20%	30%
	N =	228	193	118	96
5	$\bar{X}$ =	21%	12%	14%	20%
	N =	200	176	110	92
6	$\bar{X}$ =	19%	11%	13%	19%
	N =	133	114	77	69
7	$\bar{X}$ =	17%	20%	67%	16%
	N =	99	98	77	51
8	$\bar{X}$ =	17%	6%	9%	16%
	N =	75	69	45	42

50. When students leave your school prior to term's end and are eligible for a refund, how is the amount of repayment to the BEOG account determined?

30.8%	ED repayment policy as written in regulations or ED payment policy with slight modification by a university policy
19.7	Pro-rated on percentage basis among all funds
6.9	Not applicable--institution does not disburse more than student is liable for at any one time, or disburses BEOG only after student is 100 percent liable for tuition and other charges
8.5	Not applicable--ADS
1.6	Institution does not make tuition refunds
4.6	Whatever is left over goes to BEOG account
0.3	GSL,BEOG,TAP
2.6	Full amount restored to BEOG
4.3	NDSL/GSL, SEOG, BEOG, (or some other combination where BEOG is last)
5.6	Cannot determine
15.1	No answer

51. Do you have any problem using the ED formula to determine how to credit the BEOG account?

61.6% No problem
2.0 Not aware of formula
22.0 No, never use formula
13.4 Yes (complicated, burdensome, time consuming, ambiguous, conflicts with state law)
1.0 No answer

52. Do you have any recommendations regarding ED repayment regulations?

61.6% No
8.2 Not applicable--ADS
3.0 Yes, one policy should be uniformly applied to all colleges
12.5 Yes, simplify, clarify, do not use cash payments in calculation
6.9% Yes, let institutions use their own policy; or, make it more flexible to fit different types of institutions
1.3 Yes, design disbursement system so repayment is not necessary
4.9 Non-answer; recommendation is not in respect to repayment policy
1.6 No answer

Fiscal Operations

53. What procedures do you use to project estimated funding for the remainder of the academic year when submitting the BEOG progress report?

30.5% Look at historic trends and estimate
35.4 General estimate based on the current number of recipients
15.7 Determine funds needed for current recipients, then calculate the additional amount needed for validation cases, incoming eligibles and others yet to be paid
14.8 Not applicable--do not complete progress reports
3.6 No answer

54. Did you have any special problems this year with preparing the progress reports?

15.4%Yes (Describe). . . .
84.6 No

3.0% Problems handling manually a large number of SERs
2.3 Careless error on part of FAO, or other internal problem
0.3 Problems with recoveries and gross payments section
0.7 Confusion over how to draw cash for $10 administrating cost allowance
0.3 Received incorrect advice from Area Desk Rep
0.3 Received incorrect data from ED
1.0 Problems, in general, with making estimates
1.0 Problems estimating for part time students
1.6 Not enough time to process progress reports; too much paperwork
2.9 Other
2.0 No answer
84.6 Not applicable--no problems

55. Do delays in your recipt of adjusted authorizations adversely impact your ability to fund students?

31.1%Yes

35.1 No

17.4 No delays
11.5 Not applicable--ADS
4.9 No answer

IV. TRAINING AND DISSEMINATION BY OSFA

56. Of the professional people working for your office, appoximately what percent participated in OSFA's Student Financial Aid Training Program Sessions during 1980-81?

$\bar{X}$ = 72% (N = 301)

How many participated? $\bar{X}$ = 2.5 (N = 303)

57. Would you have liked to have had more of your professional staff participating in these sessions?

26.2% Yes - Why did more staff not participate? . . . . . .

69.8 No. The number was right.

0.3 No. Too many people already participate. (Explain)
3.0 Cannot determine

5.9% Lack of travel money
6.2 Other demands
6.9 Not enough staff; no coverage for office
4.7 Training is not worthwhil
1.3 Combinations of above answers
1.6 No answer
73.1 Not applicable

58. How would you rate the information provided by OSFA's "Area Desk Reps?"

(a) Program Specialists in Washington		(b) Program Specialists in Regional Office
19.0%	Excellent (high quality, timely response)	32.5%
40.7	Good	36.1
14.1	Fair	10.2
12.1	Poor (incorrect and/or late answers)	6.6
13.4	Cannot determine	14.8
0.7	No answer	

General Comments: What types of errors do you feel are most prevalent in the delivery of Basic Grants? What can be done to correct them?

V. PACKAGING

59. What needs analysis system is currently used by your institution to calculate family contribution for undergraduate students? (Circle most frequently used form.)

4.9%No answer
11.5 Basic Grant Application
44.6 CSS (Financial Aid Form)
18.7 ACT (Family Financial Statement)
3.6 Other needs analysis form
12.8 Combination of above answers

60. Approximately what percentage of the need-analysis determined parental contributions have to be recalculated?

Comment: $\bar{X} = 9.6\%$ $(N = 283)$

4.6% Recalculation is done if there is a significant change in the student's (family's) circumstances
2.6 When wrong information is given on application
1.3 Needs analysis calculation is done at the campus
1.0 Recalculations due to processor errors
1.3 Mostly recalculate for independent students
2.9 Not much of a problem; processors are getting better
1.0 Recalculate when figures were estimated on application
6.9 Miscellaneous comments
3.3 Rarely or never recalculate
75.1 No comment

61. Did your school require students to apply for BEOGs in order to receive other types of aid? (Circle one response.)

75.7%Yes
21.3 No
3.0 No answer

62. How were BEOG application forms (including CSS, ACT, and other available data entry forms) distributed at your school? (Circle all that apply.) *

19.7%All incoming students received the forms
46.2 An effort was made to inform students where the forms may be obtained
72.1 Forms were available at the Financial Aid Office
38.4 Forms were available at other locations (e.g., student union, dormitories, etc.)
17.4 All of the above were used to distribute the forms
6.6 Forms were mailed or distributed to all students on on financial aid
4.6 Forms were distributed at financial aid meetings, workshops, and seminars
3.6 Combinations of the above answers

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*Percentages do not total 100 percent due to double counting

63. In what order did you normally consider the use of different types of aid in your packaging during 1980-81 for full-time, undergraduate students? Please rank each of the following kinds of assistance in the order that you typically consider their use (e.g., you might usually look to other aid first, then institutional funds, then NDSL, in which case these sources would be labeled 1, 2, and 3, respectively, in the boxes below). BEOG assistance should be ignored.

Number the sources of aid in the order you consider them in the packaging process and enter in the boxes a typical dollar award amount for each type of aid. Ties are permitted (e.g., you may code more than one source as "1"). If you make no use of a source or do not participate in such programs, please enter a "7" in the box. For example, if an institution typically began with Institutional Grants, next packaged CWS, then NDSL, and ended up with SEOG, the results would be coded as follows:

4 2 3 7 1 7

INSTRUCTION: Assume all four students are prospective freshmen of average academic ability.

		Sources of Aid:					
		Federal Campus-Based					
Type of Student:	Rank:	SEOG	CWS	NDSL	GSL	Institutional Grants	Other
(1) Dependent--calculated expected Family Contribution (EFC)=0; BEOG=$1800 (or 1/2 cost if lower)	1.	19.0%	18.7%	6.6%	5.6%	8.2%	44.9%
	2.	23.9	30.8	16.1	3.6	8.5	5.6
	3.	13.8	15.1	15.4	2.6	6.6	1.3
	4.	1.6	5.2	9.8	3.6	4.6	0.7
	5.	0.3	1.0	1.3	2.3	1.6	0.3
	6.	0	0	0	1.3	0	0
	*DU	41.0	28.8	50.5	80.7	70.2	46.9
	**NA	0.3	0.3	0.3	0.3	0.3	0.3
	$\bar{X}$ =	$575	$1,023	$ 772	$1,434	$ 683	$ 917
	N =	175	221	166	78	85	155
(2) Dependent--calculated EFC=60% of cost; BEOG=$0	1.	4.3%	27.5%	14.1%	9.8%	13.4%	28.2%
	2.	5.6	21.6	16.4	10.8	10.8	1.0
	3.	3.9	5.6	9.8	3.3	3.9	1.3
	4.	1.3	0.7	2.9	2.3	1.3	0
	5.	0	0.3	0.7	0.7	0	0
	6.	0.3	0.3	0	0	0.3	0
	*DU	84.3	43.6	55.7	72.8	70.2	69.2
	**NA	0.3	0.3	0.3	0.3	0.3	0.3
	$\bar{X}$ =	$469	$948	$ 788	$1,836	$ 567	$ 607
	N =	46	171	132	77	85	89

*Do not use this type of aid

**No answer

		Sources of Aid:					
		Federal Campus-Based					
Type of Student:	Rank:	SEOG	CWS	NDSL	GSL	Institutional Grants	Other
(3) Dependent--calculated EFC=80% of cost; BEOG=$0	1.	0.7%	24.6%	12.5%	17.0	12.5%	17.0%
	2.	1.3	7.9	10.2	7.2	4.3	1.3
	3.	0.3	0.7	0.7	2.3	1.3	0
	4.	0.3	0	0.3	0.7	0.3	0.3
	5.	0.3	0	0.3	0.3	0	0
	6.	0	0.3	0	0	0	0
	*DU	96.7	66.2	75.7	72.1	81.3	81.0
	**NA	0.3	0.3	0.3	0.3	0.3	0.3
	$\bar{X}$ =	436	744	474	1595	516	555
	N =	8	104	91	99	50	51
(4) Independent--calculated EFC=0; BEOG= $1800 (or 1/2 cost if this is lower)	1.	20.7%	16.1%	6.6%	6.2%	8.2%	43.9%
	2.	29.2	29.5	13.4	7.5	10.5	2.3
	3.	14.4	15.7	18.7	5.2	8.5	2.3
	4.	1.6	6.6	13.1	5.6	3.9	0.7
	5.	0.7	1.0	1.6	3.3	1.0	1.3
	6.	0	0	0	2.6	0	0
	*DU	33.1	30.8	46.2	69.2	67.5	49.2
	**NA	0.3	0.3	0.3	0.3	0.3	0.3
	$\bar{X}$ =	646	1278	954	1948	647	892
	N =	202	209	163	88	96	149

APPENDIX B

EXPERIMENTAL BIAS

The procedures of this study did not involve unobtrusive measurement. Whenever people are examined, it is possible that they will alter their behavior. In the case of this study, it was necessary to contact the schools, students, and parents ahead of time to allow them to gather information needed for the sample selection, interviews, record abstracts, etc. Thus, it is possible that students, administrators, and parents made corrections and changes they otherwise would not have made before any measurements took place. In order to assess the likelihood of biased behavior caused by our contact with institutions and recipients, a group of about 1,000 nonsampled students were selected, and unobtrusive measures of their corrections behavior were made. In order to remain unobtrusive, we were severely limited in what we could measure.

The unobtrusive measures include observations of (1) whether or not corrected SERs were submitted to the institutions when a correction had been recorded by the central processor, (2) how many corrections were submitted, and (3) the student eligibility index.

The Corrections Control Group [CCG] consists of 1,026 BEOG recipients who submitted application corrections to the processor after January 1, 1981. The CCG recipients attended 130 of the

305 sampled institutions. For these students we recorded SEIs and transaction numbers from their institutions' financial aid files.

Students selected for the Quality Control study and their respective institutions received letters notifying them of their obligation to participate in the study and requesting their cooperation. After notification, it is possible that some of the students took actions they normally would not have taken. If they had intentionally submitted applications containing erroneous information in order to receive larger awards, they may have submitted corrections in fear of being caught. Another possible reaction to being selected would be to refrain from submitting a correction supplying false data in order to decrease the SEI on the last SER. Undoubtedly, some applicants who are disappointed with the SEIs they receive on their first SERs do this repeatedly until they receive SEIs that satisfy them. It is likely that participation in the study caused the sampled students to take actions not in their favor, i.e., actions that increased their SEIs by decreasing the amount of error in their awards.

During data collection at the institutions, there was anecdotal evidence of experimental effect among the institutions as well. Since the institutions were given the names of the selected students in order to make their files readily available to the data collectors, it is possible that they requested the selected students to make corrections before the survey team arrived. The school may also have checked the sampled records for institutional errors when they normally would not have. At some institutions, it was observed that the files of sampled students were in better order than those of students in the control group.

The experimental effect for both the institutions and students would reduce award error for the sample, thus causing total award error for the BEOG program to be underestimated. Except for aspects of institutional error correction, the existence of experimental effects is manifested in SER corrections.

It seems evident, from interviews with Financial Aid Officers, that many eligible students that make corrections do not turn in their corrected SERs to their institutions' Financial Aid Officers if the corrections produced higher SEIs. In the corrections control group, only 42.3 percent submitted at least one corrected SER to the school. The remainder had submitted at least one correction to the processor but had no corrected SERs in their files. The study sample had a much greater submittal rate. As shown in Figure B-1, of those who had made a correction, 86 percent had turned in at least one correction to their schools. This indicates a behavioral difference between the control group and the sample. After being notified that they had been selected to participate in the Quality Control study, students in the sample may have felt compelled to submit their corrected SERs expeditiously to their institutions. Normally, as demonstrated by the control group, the majority of students

	SAMPLE	CORRECTIONS CONTROL GROUP
Group Size	1,324	1,026
Percent Submitting Corrections[1]	86.4%	42.3%
Average Number of Corrections	1.56	2.03
Average SEI	456.2	378.3

[1] Statistics in this table are unweighted averages of the weighted institution statistics for the 130 institutions.

FIGURE B-1

COMPARISON OF QUALITY CONTROL SAMPLE AND CORRECTION CONTROL GROUP FOR THOSE WHO SUBMITTED CORRECTIONS TO PROCESSOR either are delinquent in submitting their corrected SERs to the Financial Aid Officers or purposely neglect to submit them.

To further investigate corrections behavior among students in the sample, the incidence of corrections for those in the sample should be compared to that of the control group. Presumably, some who submit corrections are attempting to lower their SEIs by replacing correct data with erroneous data on their SERs. If the recipients in the sample who would have normally followed this course were intimidated by their participation in the Quality Control study, they may have submitted fewer additional corrections. Equally likely is the possibility that students submitted corrections in response to being selected for the study. They may have been wary of having SERs which contained errors (purposefully or not), or perhaps they were instructed by a Financial Aid Administrator to correct their SERs.

As shown in Figure B-1, the average number of corrections submitted by students who had at least one correction in the sample was one and a half, while those in the control group made an average of two corrections. This indicates that, on average, students in the sample made fewer corrections than normally. The control group, being representative of recipients who made corrections, appear to be submitting more corrections.

While the students who made corrections in the sample made fewer than normal, their average SEI reported to their institutions was greater than the average SEI for the control group.

The average SEI for the sample was 456, whereas the average control group SEI was 378. A lower SEI means higher awards. Apparently, sampled recipients were not withholding their latest SERs from their financial aid officers if the SERs showed higher SEIs than their previous SERs. It is also unlikely that applicants submitted unnecessary corrections to manipulate their SEIs downward. If this scenario were true, we would expect the SERs in the institutions' files to show a higher average SEI for the recipients in the sample relative to the recipients in the control group, as evidenced in Figure B-1. SEIs of students making corrections in the sample were not, on average, as low as SEIs of similar students in the corrections control group. Perhaps they felt inhibited by their participation in the Quality Control study and therefore did not submit erroneous corrections in order to minimize their SEIs.

It is difficult to draw conclusions, given the nature of the corrections control group and the measurements that could be obtained. However, sampled students submitted corrected SERs more often than the control group, had fewer additional corrections if they had at least one correction, and had higher SEIs than students in the control group.

These three pieces of evidence point toward experimental bias in the direction of our underestimating program error. Experimental bias becomes a problem when drawing conclusions concerning the presence of an impact or treatment induced condition. If the measure of impact is biased downward, statistical methods will have a tendency to incorrectly accept the "no-impact" (or in our case, the nonerror) conclusion. In this study the conclusion concerns the presence or absence of disbursement error. As noted earlier, the estimated disbursement error is so high that downward experimental bias cannot overturn the conclusion that error is present. Therefore, the existence of downward experimental bias does not have any substantive impact but likely has a numeric impact--that is, our results underestimate program error.

APPENDIX C

IMPLICATIONS FOR CAMPUS-BASED AID

Many Basic Grant recipients also apply for and receive aid under one or more of the three Campus-based programs (Supplemental Educational Opportunity Grants [SEOG], National Direct Student Loans [NDSL], and College Work-Study [CWS]). Figure C-1 shows the percentages of Basic Grant recipients in our sample who also received Campus-based aid. These programs are need based, hence errors in determining expected family contribution for Basic Grants also affect the determination of need for Campus-based aid. It is the intent of this appendix to estimate the impact of erroneous application data, as revealed by our data collection, on the distribution of SEOG, NDSL, and CWS awards.

The estimates generated are subject to the following constraints:

- The results only apply to Basic Grant recipients who also receive Campus-based aid. No estimates are made for Campus-based recipients who do not currently receive Basic Grants.
- The results are based on 1980-81 aid recipients.
- Not all of the data needed to calculate the expected family contribution using the Uniform Methodology (the procedure used by most schools for calculating expected family contribution for Campus-based aid purposes) were available.
- Our sample of students and institutions is representative of Basic Grant recipients, not of Campus-based aid recipients.

BASIC GRANT RECIPIENTS WHO ALSO RECEIVED:	PERCENT	AVERAGE
SEOG	24.8%	$ 624
NDSL	24.5%	$ 825
CWS	27.7%	$1,035
Any Campus-based	69.9%	

FIGURE C-1

COMBINATIONS OF FEDERAL STUDENT AID FOR 1980-81

Further, two assumptions were made in order to estimate Campus-based aid changes:

- Institutions would have all the correct financial and demographic information at the time of initial award packaging.
- Institutions package financial aid in the manner that they described to our field data collectors.

FINDINGS

Results of the analyses are displayed in Figures C-2 through C-5. In Figure C-2 we compare the distribution of recipients for each of the three Campus-based programs estimated from application data versus verified data for the Basic Grant recipients in our sample. For example, using application data and the packaging philosophies expressed by our sample of institutions, we estimated that 32.7 percent of the SEOG recipients from our sample would be independent students. If we substitute verified data, this fraction decreases to 31.3 percent. Overall, Figure C-2 shows little change in the estimated distribution of Campus-based aid recipients using verified data.

However, within income categories there is a difference between estimated awards calculated using application versus verified data. This is shown in Figures C-3, C-4, and C-5. From these figures we see:

- Roughly 40 to 70 percent of dependent students and 70 to 90 percent of independent students would receive the same SEOG (Figure C-3) award using application or verified data. Over 85 percent have award differences within $250.
- For CWS (Figure C-4) the percent of students estimated to have received an award that would not have changed

ADJUSTED GROSS INCOME	SEOG		CWS		NDSL	
	APPLICATION DATA	VERIFIED DATA	APPLICATION DATA	VERIFIED DATA	APPLICATION DATA	VERIFIED DATA
Dependent						
$0 - 6,000	16.6	16.8	17.5	17.6	16.5	16.5
$6,000 - 12,000	15.7	17.0	17.2	17.6	16.6	17.7
$12,000 - 18,000	14.4	14.5	14.7	15.3	15.6	16.0
$18,000 - 24,000	12.0	11.6	12.6	12.6	15.1	14.6
Over $24,000	8.6	8.8	10.9	10.7	12.6	12.9
Total Dependent	67.3	68.7	72.9	73.8	76.4	77.7
Independent						
$0 - 6,000	28.6	26.9	24.0	22.7	20.7	19.3
$ 6,000 - 12,000	3.6	3.6	2.6	2.8	2.4	2.4
$12,000 - 18,000	0.5	0.6	0.4	0.5	0.4	0.4
$18,000 - 24,000	0.0	0.1	0.0	0.1	0.0	0.1
Over $24,000	0.0	0.1	0.0	0.1	0.0	0.1
Total Independent	32.7	31.3	27.1	26.2	23.5	22.3

FIGURE C-2

ESTIMATES OF THE DISTRIBUTION OF CAMPUS-BASED AID RECIPIENTS AMONG STUDENTS IN OUR SAMPLE USING APPLICATION AND VERIFIED DATA

	AWARD BASED ON APPLICATION DATA MINUS ESTIMATED AWARD BASED ON VERIFIED DATA				
INCOME	LESS THAN -$250	BETWEEN -$2 AND -$250	WITHIN $2	BETWEEN $2 AND $250	OVER $250
	(UNDERAWARD)			(OVERAWARD)	
Dependent Students					
$0 - 6,000	5.6%	13.5%	68.5%	9.4%	3.0%
$6,000 - 12,000	7.9%	16.3%	47.6%	22.2%	6.0%
$12,000 - 18,000	9.6%	17.7%	41.6%	26.1%	5.0%
$18,000 - 24,000	8.4%	20.0%	44.5%	23.0%	4.0%
Over $24,000	16.2%	19.1%	50.4%	13.3%	1.0%
Independent Students					
$0 - 6,000	.9%	12.3%	70.7%	13.6%	2.5%
$ 6,000 - 12,000	1.6%	14.6%	75.0%	8.0%	.8%
$12,000 - 18,000	0	6.4%	82.4%	11.2%	0
$18,000 - 24,000	0	7.6%	92.4%	0	0
Over $24,000	0	0	33.3%	33.3%	33.3%

FIGURE C-3

ESTIMATED EFFECTS OF APPLICATION DATA ERROR ON SEOG AWARDS

	AWARD BASED ON APPLICATION DATA MINUS ESTIMATED AWARD BASED ON VERIFIED DATA				
INCOME	LESS THAN -$250	BETWEEN -$2 AND -$250	WITHIN $2	BETWEEN $2 AND $250	OVER $250
	(UNDERAWARD)				(OVERAWARD)
Dependent Students					
$0 - 6,000	3.9%	16.0%	64.3%	11.7%	4.2%
$6,000 - 12,000	6.9%	17.7%	42.0%	24.7%	8.7%
$12,000 - 18,000	7.6%	16.4%	42.6%	24.0%	9.4%
$18,000 - 24,000	9.5%	20.6%	39.2%	24.5%	6.2%
Over $24,000	18.8%	19.2%	43.2%	15.2%	3.6%
Independent Students					
$0 - 6,000	2.4%	13.7%	63.2%	16.2%	4.6%
$ 6,000 - 12,000	1.6%	14.5%	72.9%	8.7%	2.4%
$12,000 - 18,000	0	6.2%	80.3%	10.4%	3.1%
$18,000 - 24,000	0	7.6%	92.4%	0	0
Over $24,000	0	0	0	0	100.0%

FIGURE C-4

ESTIMATED EFFECTS OF APPLICATION DATA ERROR ON CWS AWARDS

INCOME	AWARD BASED ON APPLICATION DATA MINUS ESTIMATED AWARD BASED ON VERIFIED DATA				
	LESS THAN -$250	BETWEEN -$2 AND -$250	WITHIN $2	BETWEEN $2 AND $250	OVER $250
	(UNDERAWARD)				(OVERAWARD)
Dependent Students					
$0 - 6,000	5.3%	14.1%	67.0%	10.9%	2.7%
$6,000 - 12,000	5.0%	14.8%	55.4%	17.2%	7.6%
$12,000 - 18,000	11.0%	20.0%	42.8%	1[illegible].4%	6.9%
$18,000 - 24,000	10.7%	23.8%	38.6%	23.1%	3.8%
Over $24,000	18.5%	23.8%	36.7%	17.0%	3.9%
Independent Students					
$0 - 6,000	.6%	7.7%	78.6%	11.6%	1.5%
$ 6,000 - 12,000	.8%	10.4%	81.5%	6.4%	.9%
$12,000 - 18,000	0	6.4%	82.9%	7.5%	3.2%
$18,000 - 24,000	0	7.6%	92.4%	0	0
Over $24,000	0	0	33.3%	33.3%	33.3%

FIGURE C-5

ESTIMATED EFFECTS OF APPLICATION DATA ERROR ON NDSL AWARDS had verified data been available was roughly 40 to 65 percent for dependent students and 60 to 90 percent for independent students. Over 80 percent of dependent students and 95 percent of independent students had award differences within $250.

- The NDSL estimates closely parallel those for SEOG (Figure C-5) but with somewhat higher percentages of correct awards for independent students.

PROCEDURE

Figure C-6 shows Question 63 from the study's Institutional Interview Form. This form was administered to the financial aid officers at the 305 institutions in our sample. The process for transforming responses to these questions to formulas for packaging Campus-based aid is as follows:

1. For dependent students at a school, the budget was assumed to be the sum of EFC, BEOG, SEOG, CWS, NDSL, GSL, Institutional Grants, and "other" for the type (1) student. For independent students the budget was assumed to be this sum for the type (4) student.

2. For dependent students:

(a) The variable R was set equal to each student's initial resources, EFC plus BEOG, calculated using verified data.

(b) The variables R_1, and R_2, and R_3 were set equal to the initial resources, EFC plus BEOG, for the types (1), (2), and (3) students respectively.

(c) Each aid source for a student equaled the following:

$$\text{Aid} = (\text{Aid}_1) \cdot \left(\frac{\text{Budget} - R}{\text{Budget} - R_1}\right) \qquad \text{if } R < R_1$$

							0	7
1	2	3	4	5	6	7	8	9

63. In what order did you normally consider the use of different types of aid in your packaging during 1980-81 for full-time, undergraduate students? Please rank each of the following kinds of assistance in the order that you typically consider their use (e.g., you might usually look to other aid first, then institutional funds, then NDSL, in which case these sources would be labeled 1, 2, and 3, respectively, in the boxes below). BEOG assistance should be ignored.

Number the sources of aid in the order you consider them in the packaging process and enter in the boxes a typical dollar award amount for each type of aid. Ties are permitted (e.g., you may code more than one source as "1"). If you make no use of a source or do not participate in such programs, please enter a "7" in the box. For example, if an institution typically began with Institutional Grants, next packaged CWS, then NDSL, and ended up with SEOG, the results would be coded as follows:

4 2 3 7 1 7

INSTRUCTION: Assume all four students are prospective freshmen of average academic ability.

	Sources of Aid:					
	Federal Campus-Based					
	SEOG	CWS	NDSL	GSL	Institutional Grants	Other
Type of Student:						
(1) Dependent--calculated expected Family Contribution (EFC)=0; BEOG=$1800 (or 1/2 cost if lower)	10	11	12	13	14	15
	16 17 18 19	20 21 22 23	24 25 26 27	28 29 30 31	32 33 34 35	36 37 38 39
(2) Dependent--calculated EFC=60% of cost; BEOG=$0	40	41	42	43	44	45
	46 47 48 49	50 51 52 53	54 55 56 57	58 59 60 61	62 63 64 65	66 67 68 69

FIGURE C-6

							0	8
1	2	3	4	5	6	7	8	9

	Sources of Aid:					
	Federal Campus-Based					
	SEOG	CWS	NDSL	GSL	Institutional Grants	Other
Type of Student:						
(3) Dependent--calculated EFC=80% of cost; BEOG=$0	10	11	12	13	14	15
	16 17 18 19	20 21 22 23	24 25 26 27	28 29 30 31	32 33 34 35	36 37 38 39
(4) Independent--calculated. EFC=0; BEOG= $1800 (or 1/2 cost if this is lower)	40	41	42	43	44	45
$	46 47 48 49	50 51 52 53	54 55 56 57	58 59 60 61	62 63 64 65	66 67 68 69

END TIME 70 71 72 73

OFFICE USE ONLY 74 75

76 77

FIGURE C-6 (Cont.)

$$\text{Aid} = (\text{Aid}_1) - \left(\frac{\text{Aid}_1 - \text{Aid}_2}{R_2 - R_1}\right) \cdot (R - R_1) \quad \text{if } R_1 \leq R < R_2$$

$$\text{Aid} = \text{Aid}_2 - \left(\frac{\text{Aid}_2 - \text{Aid}_3}{R_3 - R_2}\right) \cdot (R - R_2) \quad \text{if } R_2 \leq R < R_3$$

$$\text{Aid} = \text{Aid}_2 - \left(\frac{\text{Aid}_3}{\text{Budget} - R_3}\right) \cdot (R - R_3) \quad \text{if } R_3 \leq R < \text{Budget}$$

$$\text{Aid} = 0 \quad \text{if } R > \text{Budget}$$

Here Aid_1, Aid_2, and Aid_3 are equal to the value of the aid source as reported by the financial aid administrator for the types (1), (2), and (3) students respectively. These equations are designed to decrease each aid form linearly between the types (1), (2), and (3) students as the value of R, the student's initial resources, increases.

3. Similarly, for independent students:

(a) The variable R was set equal to each student's initial resources, EFC plus BEOG, calculated using verified data.

(b) The variable R_4 was set equal to the initial resources of the type (4) student (i.e., the minimum of $1,750 and half of cost)

(c) Each aid source for a student equaled the following:

$$\text{Aid} = (\text{Aid}_4) - \left(\frac{\text{Budget} - R}{\text{Budget} - R_4}\right) \quad \text{if } R < R_4$$

$$\text{Aid} = \text{Aid}_4 - \left(\frac{\text{Aid}_4}{\text{Budget} - R_4}\right) \cdot (R - R_4) \quad \text{if } R_4 \leq R < \text{Budget}$$

$$\text{Aid} = 0 \quad \text{if } R \geq \text{Budget}$$

Here Aid_4 is equal to the value of the aid source as reported by the financial aid administrator for the type (4) student.

4. This procedure was followed again for each student using R as the sum of EFC and BEOG as calculated from application, rather than verified, data.

5. For each student, the difference between aid amounts estimated using R from verified data and using R from application data was assumed to be the award error caused by incorrect application data.

In conclusion, by applying the errors detected on Basic Grant application items to the distribution of Campus-based awards, we were able to estimate the manner in which these awards would have changed had correct information been available to financial aid officers. The effects of these errors did not greatly change the overall income distribution of Campus-based aid recipients. As with Basic Grants, most recipients of Campus-based aid did not have their awards affected by application error. However, many did. An estimated 10 percent or more of the dependent students received Campus-based awards more than $250 different from what they would have been if correct data had been available to the financial aid officer at the time of award determination.